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TIMBER SUPPLY STABILITY ACT; ANCIENT FOREST PROTECTION
ACT OF 1990; COMMUNITY STABILITY ACT OF 1990; NATION-
AL FOREST PLAN IMPLEMENTATION ACT OF 1990; DEVELOP-
MENT AND CONSIDERATION OF ALTERNATIVES FOR THE CON-
SERVATION OF THE NORTHERN SPOTTED OWL; AND THE
ANCIENT FOREST ACT OF 1990

HEARINGS

BEFORE THE

SUBCOMMITTEE ON FORESTS, FAMILY FARMS,
AND ENERGY

OF THE

COMMITTEE ON AGRICULTURE
HOUSE OF REPRESENTATIVES

ONE HUNDRED FIRST CONGRESS

SECOND SESSION

ON

H.R. 3206, H.R. 4492, H.R. 4909, H.R. 5094, H.R. 5116, AND H.R. 5295

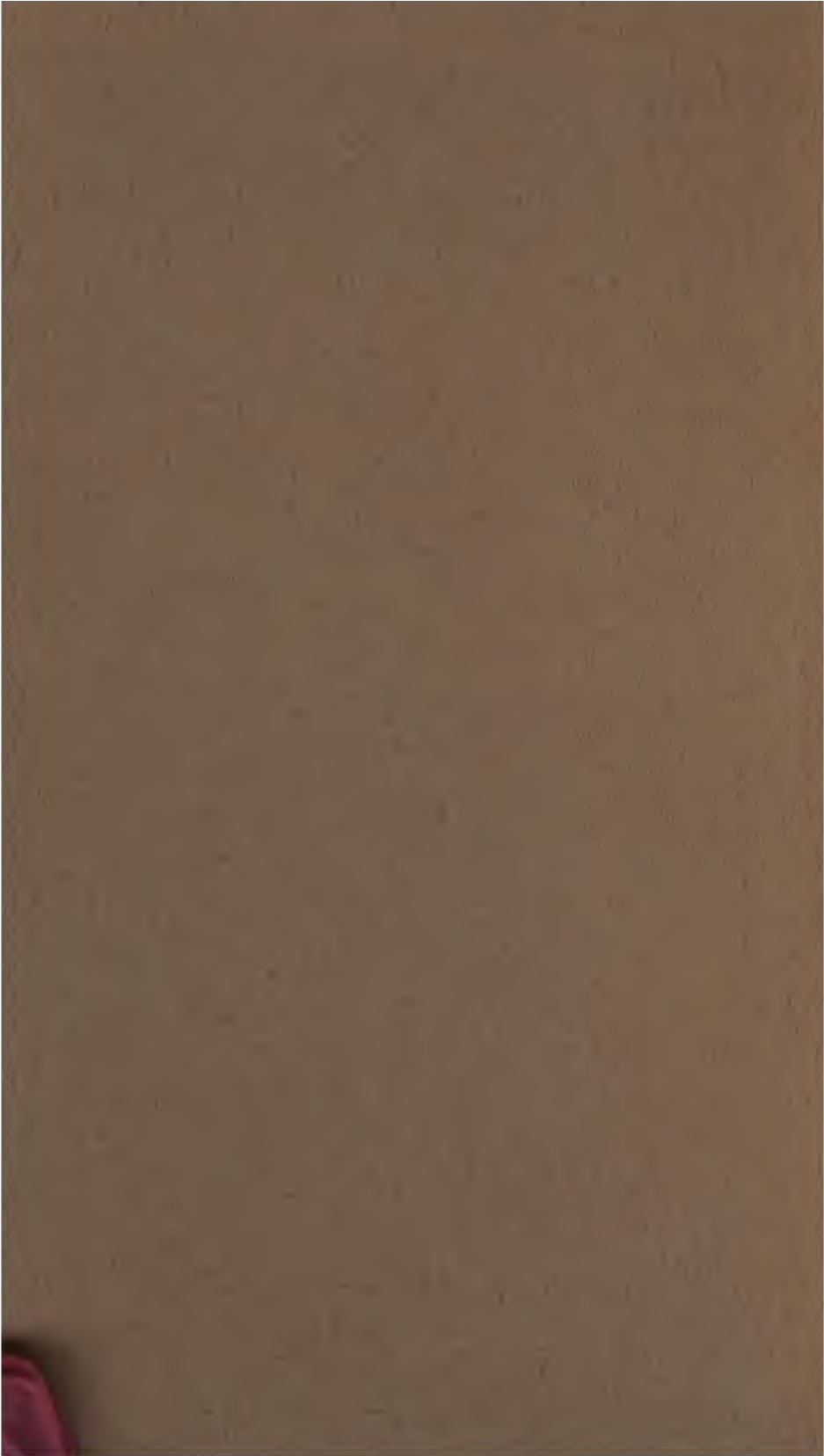
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**TIMBER SUPPLY STABILITY ACT; ANCIENT
FOREST PROTECTION ACT OF 1990; COMMUNI-
TY STABILITY ACT OF 1990; NATIONAL
FOREST PLAN IMPLEMENTATION ACT OF 1990;
DEVELOPMENT AND CONSIDERATION OF AL-
TERNATIVES FOR THE CONSERVATION OF
THE NORTHERN SPOTTED OWL; AND THE AN-
CIENT FOREST ACT OF 1990**

THURSDAY, JULY 26, 1990

**HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON FORESTS, FAMILY FARMS, AND ENERGY,
COMMITTEE ON AGRICULTURE,
*Washington, DC.***

The subcommittee met, pursuant to notice, at 10 a.m., in room 1302, Longworth House Office Building, Hon. Harold L. Volkmer (chairman of the subcommittee) presiding.

Present: Representatives Olin, Jontz, Morrison, Smith, and Herger.

Also Present: Representative E (Kika) de la Garza, chairman of the committee.

Staff present: Andy Baker, assistant counsel; Alice Devine, minority associate counsel; Glenda L. Temple, clerk; Timothy P. De Coster, James R. Lyons, and Allison Biggs.

**OPENING STATEMENT OF HON. HAROLD L. VOLKMER, A
REPRESENTATIVE IN CONGRESS FROM THE STATE OF MISSOURI**

Mr. VOLKMER. The subcommittee will come to order. The Subcommittee on Forests, Family Farms, and Energy is meeting today to review several pending measures which are generally related in the issues we hope to address.

The old-growth forest and spotted owl issue, as I have said in previous statements, is as contentious and complicated as any we have faced in recent years. We are now faced with the task of crafting a solution to this matter that will replace the 1-year solution devised in the appropriations process in 1989.

In addition, we are faced with the continuing and related question of whether the forest planning process itself is working effectively in guiding the management of national forest lands for multiple uses, including timber, wilderness, fish and wildlife habitat, watershed protection, and recreation. We have a panel of two law-

yers who will discuss the legal aspects of the planning and administrative appeals process.

In the past, we have been given data from the Forest Service that indicated that appeals of timber sales represented a relatively very small proportion of the overall Timber Sale Program. In the months that have followed, however, we have seen increasing appeals activities, and we need to review how this situation has changed.

Some of the bills we will hear about today relate specifically to the spotted owl situation and are limited in scope to the Pacific Northwest forests. Others are national in scope and address a wide range of forest planning and management issues.

These matters are extremely important and will require a great deal of our attention over the weeks to come. I appreciate the willingness our colleagues have shown to come to grips with these issues and to work toward a resolution which balances the various demands on and needs of the national forests.

[H.R. 3206, H.R. 4492, H.R. 4909, H.R. 5094, H.R. 5116, and H.R. 5295 follow; the hearing continues on p. 80.]

101ST CONGRESS
1ST SESSION

H. R. 3206

To maintain a national forest system timber base, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 4, 1989

Mrs. UNSOELD introduced the following bill; which was referred jointly to the Committees on the Judiciary, Agriculture, and Interior and Insular Affairs

A BILL

To maintain a national forest system timber base, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Timber Supply Stability
5 Act".

6 **SEC. 2. NATIONAL FOREST TIMBER BASE.**

7 (a) **DETERMINATION.**—The Secretary of Agriculture
8 shall determine the amount of acres in each national forest
9 that, as of January 1, 1988, were administered by the Secre-
10 tary of Agriculture through the Chief of the Forest Service,
11 excluding those lands identified as not suited for timber pro-

duction under section 6(k) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604(k)). Such amount shall constitute the timber base for that national forest. The aggregate timber base for all national forests shall be known as the National Forest System timber base.

(b) **REPORT.**—Not later than October 1, 1991, and annually thereafter, the Secretary shall submit a report to the Congress on the National Forest System timber base, including any addition to or deletion from the timber base during the preceding year.

SEC. 3. ACQUISITION OF TIMBER LANDS.

(a) **POLICY.**—It is the policy of Congress that any diminution of the timber base of a national forest be offset by the acquisition of additional timber lands for that national forest.

(b) **ACQUISITION OF STATE TIMBER LAND.**—(1) In order to increase the sustained-yield and even flow of timber from State-owned forests and to promote community stability, an amount in the Trust Fund equal to 25 percent of the amount of revenue raised in a State in a fiscal year pursuant to section 4 shall be made available to that State by the Secretary of Agriculture for the acquisition of timber lands.

(2) Amounts may be made available under paragraph (1) to a State only if the State agrees to the restriction that timber harvested from lands acquired pursuant to this subsec-

1 tion be processed domestically. For the purpose of this para-
2 graph, timber is processed domestically if it is processed in
3 the United States to such an extent that it is not an unproc-
4 essed log.

5 (3) Funds made available under this subsection shall
6 remain available for a 5-year period. If not obligated or ex-
7 pended during the period, such funds shall revert to the Trust
8 Fund.

9 (c) ACQUISITION OF NATIONAL FOREST TIMBER
10 LAND IN STATES WITH A TIMBER EXPORT TAX.—(1) In
11 order to ensure sustained-yield and even flow from national
12 forests and to promote community stability, amounts remain-
13 ing in the Trust Fund for a fiscal year after all payments
14 under subsection (b) for that year shall be available to the
15 Secretary for acquisition on a willing seller basis of timber
16 lands for national forests in accordance with paragraph (2) in
17 those States that have adopted an export tax pursuant to
18 section 4.

19 (2) The amount available in a year for expenditure in a
20 State under paragraph (1) is the amount which bears the
21 same ratio to the total unobligated amount in the Trust Fund
22 as the amount of revenue raised in the State pursuant to
23 section 4 during that year bears to the total amount of reve-
24 nue raised in all States for that year pursuant to section 4.

1 (d) **ACQUISITION OF ADDITIONAL NATIONAL FOREST**
2 **TIMBER LANDS.**—The Secretary may acquire timber lands
3 on a willing seller basis in any State with amounts remaining
4 in the Trust Fund after all payments under subsections (b)
5 and (c) for a fiscal year are made.

6 (e) **CRITERIA FOR TIMBER LAND ACQUISITION.**—To
7 the extent possible, the Secretary shall acquire replacement
8 timber lands for a national forest on a one-to-one basis for the
9 number of acres of that national forest removed from the
10 timber base. In the event the Secretary is not able to acquire
11 replacement lands for that national forest, the Secretary shall
12 acquire lands as near as possible to the communities depend-
13 ent on that national forest for products. In addition, the Sec-
14 retary shall, to the extent possible, acquire those lands which
15 would enhance the sustained-yield of the national forest by
16 reason of the age class of the timber on such lands.

17 (f) **MANAGEMENT OF ACQUIRED LANDS.**—Lands ac-
18 quired by the Secretary under this Act shall be added to and
19 administered as part of the appropriate national forest. Not-
20 withstanding any other provision of law, the primary man-
21 agement objective for such lands shall be timber production.
22 **SEC. 4. FOREST TIMBER BASE ACQUISITION EXPORT TAX.**

23 (a) **AUTHORITY FOR STATES TO IMPOSE EXPORT TAX**
24 **ON UNPROCESSED LOGS.**—In accordance with clause 2 of
25 section 10 of Article I of the Constitution, a State may

1 impose an export tax of 25 percent on unprocessed logs as of
2 the time of their removal.

3 (b) **DEPOSIT IN TIMBER BASE ACQUISITION TRUST**
4 **FUND.**—The net revenues generated by any tax imposed
5 pursuant to subsection (a) shall be deposited in the Treasury
6 of the United States.

7 **SEC. 5. TIMBER BASE ACQUISITION TRUST FUND.**

8 (a) **CREATION OF TRUST FUND.**—There is established
9 in the Treasury of the United States a trust fund to be known
10 as the “Timber Base Acquisition Trust Fund”. The Trust
11 Fund shall consist of such amounts as may—

12 (1) be appropriated to the Trust Fund as provided
13 in subsection (b);

14 (2) be transferred to the Trust Fund as provided
15 in subsection (b);

16 (3) be credited to the Trust Fund as provided in
17 subsection (c)(3); or

18 (4) revert to the Trust Fund under section 3(b)(3).

19 (b) **APPROPRIATIONS TO TRUST FUND.**—There is
20 hereby appropriated to the Trust Fund amounts equivalent to
21 the taxes received in the Treasury pursuant to section 4.
22 Notwithstanding section 7 of the Land and Water Conserva-
23 tion Fund Act of 1965 (16 U.S.C. 4601–9), to the extent
24 amounts in the Trust Fund in a fiscal year are not sufficient
25 to carry out the policy described in section 3(a), amounts may

1 be appropriated from the Land and Water Conservation Fund
2 to the Trust Fund.

3 (c) INVESTMENT.—(1) The Secretary shall invest such
4 portion of the Trust Fund as is not, in his judgment, required
5 to meet current withdrawals. Such investments shall be made
6 only in interest-bearing obligations of the United States. For
7 such purpose, such obligations may be acquired—

8 (A) on original issue at the issue price, or

9 (B) by purchase of outstanding obligations at the
10 market price.

11 (2) Any obligation acquired by the Trust Fund may be
12 sold by the Secretary at the market price.

13 (3) The interest on, and the proceeds from the sale or
14 redemption of, any obligations held in the Trust Fund shall
15 be credited to and form a part of the Trust Fund.

16 (d) EXPENDITURES FROM TRUST FUND.—Amounts in
17 the Trust Fund shall be available, as provided in advance
18 in appropriation Acts, only to carry out the purposes of sec-
19 tion 3.

20 SEC. 6. DEFINITIONS.

21 For the purposes of this Act:

22 (1) The term "Trust Fund" means the Timber
23 Base Acquisition Trust Fund established under sec-
24 tion 5.

1 (2) The term "United States" means the several
2 States and the District of Columbia.

3 (3) The term "unprocessed log" shall have the
4 meaning given that term in regulations which the
5 President shall issue, except that such term shall in-
6 clude all logs that have not been processed to a greater
7 degree than that prescribed for unprocessed timber, as
8 set forth in regulations in effect on March 1, 1989,
9 which were issued by the Secretary of Agriculture and
10 the Secretary of the Interior to implement restrictions
11 imposed by law on sales of unprocessed timber from
12 lands west of the 100th meridian in the contiguous 48
13 States.

○

101ST CONGRESS
2D SESSION

H. R. 4492

To provide for the protection of the remaining ancient forests on the Federal lands of the States of Washington, Oregon, and California, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 4, 1990

Mr. JONTZ (for himself, Mr. KOSTMAYER, Mr. BROWN of California, Ms. SCHNEIDER, Mr. MRAZEK, Mr. STARK, Mr. BRYANT, Mr. SCHUEB, Mr. RAVENEL, Ms. SLAUGHTER of New York, Mr. HOAGLAND, Mr. DELLUMS, Mr. EDWARDS of California, Ms. PELOSI, Mr. MORRISON of Connecticut, Mr. ROE, Mr. BIELENSON, Mr. HOCHBREUCKNER, Mr. MFUME, Mr. NAGLE, Mr. LEWIS of Georgia, Mr. JOHNSTON of Florida, Mr. LANTOS, Mr. KASTENMEIER, and Mr. PORTER) introduced the following bill; which was referred jointly to the Committees on Agriculture and Interior and Insular Affairs

A BILL

To provide for the protection of the remaining ancient forests on the Federal lands of the States of Washington, Oregon, and California, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Ancient Forest Protec-
5 tion Act of 1990".

6 **SEC. 2. FINDINGS.**

7 The Congress finds and declares the following:

1 (1) The ancient forests of the United States, com-
2 posed of trees of many species and often older than the
3 Nation itself, constitute one of the most important as-
4 pects of our national heritage, and should be passed
5 on intact, for the benefit and enjoyment of future
6 generations.

7 (2) The ancient forests of the States of Washing-
8 ton, Oregon, and California, some of which contain in-
9 dividual trees up to 1,000 and more years old, thus are
10 more than a priceless national heritage; constituting
11 the last living links with the Middle Ages, they amount
12 to a spiritual resource unmatched anywhere else on
13 this planet, and thus deserve to be protected for the
14 enjoyment and benefit of the population of the world.

15 (3) The ancient forests of the Nation are remnant
16 homes to endemic, rare, threatened and endangered
17 species of plants, fish, and wildlife, and further diminu-
18 tion of these forests could result in the extirpation or
19 extinction of said species.

20 (4) The ancient forests and their clear streams are
21 currently used by thousands of Native Americans in
22 the practice of their various religions.

23 (5) The ancient forests of the Nation, in
24 their present state, can and do provide outstanding and

1 unique recreational experiences for a growing
2 population.

3 (6) The ancient forests of the Nation provide
4 unique and unparalleled opportunities for scientific
5 study and research, including medical research, and, as
6 such, may contain the secrets to advance medical
7 knowledge and the prevention, cure or treatment of
8 disease.

9 (7) The ancient forests of the Nation, in many
10 places, particularly in mountainous watersheds, retain
11 and release water, thus guaranteeing populations
12 downstream a steady and assured supply of clean, high
13 quality water for agricultural, industrial, municipal,
14 fish, wildlife, and recreational purposes during the dry
15 months.

16 (8) Many ancient forests support streams and
17 rivers where natural wild runs of salmon and steel-
18 head, and resident cold water fish are wholly depend-
19 ent on a quality and quantity of water for migration,
20 spawning, rearing, and cover that can only be main-
21 tained by preserving ancient forest watersheds.

22 (9) The ancient forests of the Nation hold their
23 highest values as intact, natural ecosystems that
24 have developed over thousands of years, and such

1 ecosystems are not renewable after logging for many
2 centuries.

3 (10) The ancient forests of Washington, Oregon,
4 and California contain vast nontimber economic values
5 that are critical to economic stability and economic di-
6 versification of the Nation and the Pacific Northwest.

7 (11) For the last two centuries, the policy of both
8 government and private interests has been to liquidate
9 through logging all accessible stands of ancient forests
10 as quickly as possible, with the result that at the
11 present time less than 2 percent of the Nation's entire
12 forested area can be properly said to constitute ancient
13 forest stands of trees 150 years or more in age.

14 (12) The policy of the United States Forest Serv-
15 ice and the Bureau of Land Management, in particular,
16 has been to encourage the establishment of a wood
17 products industry in areas adjacent to the national for-
18 ests or Bureau of Land Management lands, for the pur-
19 pose of logging the ancient forest resource.

20 (13) At the present rate of logging of the ancient
21 forests remaining under the jurisdiction of the United
22 States of America, it is anticipated that nearly all of
23 the ecologically significant forests will be destroyed
24 within the next decade.

1 (14) Many predictions are that the rate of timber
2 cutting in the Northwest States must be reduced sub-
3 stantially if timber cutting is to be practiced on a non-
4 declining, even flow, sustained yield basis while pre-
5 serving and protecting biological diversity, ancient
6 forest, and wildlife habitat.

7 (15) The continued logging of ancient and old
8 growth forests and their conversion to younger tree
9 plantations has over the past century added tremen-
10 dous quantities of carbon to the world's atmosphere,
11 with adverse consequences for the global climate, in-
12 cluding the process known as "global warming".

13 (16) It is not appropriate for the Government of
14 the United States to urge other countries, particularly
15 those with tropical forest areas, not to cut too quickly
16 or liquidate their own forests, while at the same time
17 pursuing a policy of maximum liquidation of its own
18 ancient forests.

19 **SEC. 3. DEFINITIONS.**

20 For the purposes of this Act, the following definitions
21 apply:

22 (1) **ANCIENT FOREST.**—The term "ancient
23 forest" means any significant tract of Federal forest
24 land which—

1 (A) is referred to as "Old-Growth Timber"
2 on pages 3-40 through 3-42 of the document of
3 the Pacific Northwest Region of the Forest Serv-
4 ice entitled "Regional Guide for the Pacific
5 Northwest Region", dated May 1984;

6 (B) contains that species known as "Coast
7 Redwood", as defined in the document entitled
8 "Potential Natural Vegetation of the United
9 States", authored by A.W. Kuchler (—), and
10 known as "Type K-6";

11 (C) contains any of the forest types defined
12 as "suitable spotted owl habitat, Wenatchee, Gif-
13 ford Pinchot, and Siskiyou National Forests" in
14 the Final Spotted Owl Environmental Impact
15 Statement, United States Forest Service; or

16 (D) is comprised of any naturally occurring
17 forest association which—

18 (i) meets the definition of old-growth red
19 fir, mixed conifer, eastside pine, or ponderosa
20 pine forest in those documents of the United
21 States Department of Agriculture entitled
22 "Interim Definitions for Old Growth Douglas
23 Fir and Mixed Conifer Forests in the Pacific
24 Northwest and California", "Old Growth
25 Definitions for Eastside Pine Stands", "Old

1 Growth Definitions for Mixed Conifer and
 2 Ponderosa Pine Cover Types", or "Draft
 3 Guidelines Defining Old Growth Red Fir
 4 Forests in the Central and Southern Sierra
 5 of California", or

6 (ii) meets the definition of a "late seral,
 7 undisturbed, self-reproducing" forest commu-
 8 nity as described in the document of the
 9 United States Department of Agriculture en-
 10 titled "Ecological Types for the Westside
 11 Mixed Conifer Ecosystem, Plumas, Lassen
 12 and Tahoe National Forests", the document
 13 entitled "Plant Communities: A Handbook of
 14 Plant Synecology" (New York, Harper &
 15 Row, 1968), or the document entitled
 16 "Forest Ecology" (New York, MacMillan,
 17 1987).

18 (2) ASSOCIATED FOREST.—The term "associated
 19 forest" means those lands adjacent to, proximate to, or
 20 contiguous with any tract of ancient forest which are
 21 sufficient in size, extent, location, or configuration to—

22 (A) assist in the maintenance, protection, or
 23 perpetuation of the natural ecological elements,
 24 structure, and function of ancient forests or pro-
 25 tection of ancient forests from edge effect, wind-

1 throw, fire, flood, landslide, or other natural or
2 manmade events;

3 (B) permit species of plants, fish, or wildlife
4 which are associated with, or wholly or in part
5 dependent upon, the survival of ancient forests for
6 food, water, cover, or other nutritional and other
7 physiological requirements, or for migrating, re-
8 producing, rearing offspring, dispersing, or seeking
9 protection from predators and the elements; or

10 (C) to the extent possible, interconnect on a
11 forest by forest or district by district basis ancient
12 forests into an ecologically diverse and sustainable
13 network.

14 (3) **FEDERAL FOREST LAND.**—The term “Federal
15 Forest land” means any lands in Federal ownership
16 and managed—

17 (A) by the Forest Service within the exterior
18 boundaries of a national forest in the State of
19 Washington or Oregon or in one of the following
20 national forests or portions thereof in the State of
21 California: Rogue River National Forest, Siskiyou
22 National Forest, Six Rivers National Forest,
23 Klamath National Forest, Shasta-Trinity National
24 Forest, Mendocino National Forest, Modoc Na-
25 tional Forest, Lassen National Forest, Stanislaus

1 National Forest, Eldorado National Forest,
2 Plumas National Forest, Tahoe National Forest,
3 Lake Tahoe Basin Management Unit, Sierra Na-
4 tional Forest, and Sequoia National Forest; or

5 (B) by the Bureau of Land Management in
6 the State of Washington or Oregon or in the fol-
7 lowing districts of the Bureau of Land Manage-
8 ment in the State of California: Susansville,
9 Ukiah, and Bakersfield.

10 (4) **SYSTEM.**—The term “system” means the Na-
11 tional Ancient Forest Reserve System established by
12 section 4.

13 **SEC. 4. NATIONAL ANCIENT FOREST RESERVE SYSTEM.**

14 (a) **ESTABLISHMENT.**—In order that future generations
15 of Americans may continue to enjoy the benefits of an endur-
16 ing ancient forest resource, there is hereby established the
17 National Ancient Forest Reserve System. The system shall
18 consist of those units designated as components by section 5.

19 (b) **MANAGEMENT AND PROTECTION.**—(1) The units of
20 the system that are located either within the exterior bound-
21 aries of a national forest or within the exterior boundaries of
22 a district of the Bureau of Land Management, shall be man-
23 aged by the Secretary of Agriculture or the Secretary of the
24 Interior, as appropriate, in accordance with this Act and with

1 the laws generally applicable to the area within which any
2 such unit is located.

3 (2)(A) The respective Secretary shall manage the units
4 of the system in such a manner as to perpetuate, protect, and
5 conserve the ancient forest structure, natural ecological ele-
6 ments and functions, and successional processes within them.

7 (B) Within any unit of the system, the respective Secre-
8 tary may not (i) build roads, (ii) prepare, advertise, offer,
9 award, or operate timber sales, or (iii) cut or remove trees,
10 alive or dead, for any purpose, except where necessary to
11 clear fallen trees in order to permit reasonable travel on trails
12 or existing roads located within any unit.

13 (C) Because the periodic occurrence of fire is a natural
14 mechanism of the ancient forest ecosystem, the respective
15 Secretary may not undertake any fire suppression activity
16 within a unit of the system except where necessary to protect
17 human life or property within any such unit or immediately
18 adjacent to it.

19 (c) MINING AND LAND DISPOSAL.—Subject to valid ex-
20 isting rights, the Federal lands within each unit of the system
21 are withdrawn from all forms of entry, appropriation, and
22 disposal under the public land laws and from location, entry,
23 and patent or lease under the mining laws, mineral leasing
24 laws, and geothermal leasing laws of the United States.

1 (d) SUPPRESSION AND CONTROL PROGRAMS.—(1) The
 2 respective Secretary may not conduct suppression or control
 3 programs for native insects, plants, or diseases within any
 4 unit of the system.

5 (2) The respective Secretary may conduct suppression
 6 and eradication programs for non-native insects, plants, and
 7 diseases within a unit of the system only after making a de-
 8 termination of the feasibility of success and need for such
 9 actions in a process that complies with all requirements of
 10 the National Environmental Policy Act of 1969 and all other
 11 applicable statutes and treaties.

12 SEC. 5. DESIGNATION OF UNITS OF NATIONAL ANCIENT
 13 FOREST RESERVE SYSTEM AND OTHER PRO-
 14 TECTED AREAS.

15 (a) DESIGNATION.—The following areas are hereby
 16 designated as components of the National Ancient Forest Re-
 17 serve System:

18 (1) Certain lands in the State of California in the
 19 — National Forest which comprise approximately —
 20 acres as generally depicted on a map entitled “— An-
 21 cient Forest—Proposed” dated —, 199—, which shall
 22 be known as the — Ancient Forest.

23 (2) Certain lands in the State of California in the
 24 — district of the Bureau of Land Management which
 25 comprise approximately — acres as generally depicted

1 on a map entitled “— Ancient Forest—Proposed”
2 dated —, 199—, which shall be known as the — An-
3 cient Forest.

4 (3) Certain lands in the State of Oregon in the —
5 National Forest which comprise approximately —
6 acres as generally depicted on a map entitled “— An-
7 cient Forest—Proposed” dated —, 199—, which shall
8 be known as the — Ancient Forest.

9 (4) Certain lands in the State of Oregon in the —
10 district of the Bureau of Land Management which com-
11 prise approximately — acres as generally depicted on
12 a map entitled “— Ancient Forest—Proposed” dated
13 —, 199—, which shall be known as the — Ancient
14 Forest.

15 (5) Certain lands in the State of Washington in
16 the — National Forest which comprise approximately
17 — acres as generally depicted on a map entitled “—
18 Ancient Forest—Proposed” dated —, 199—, which
19 shall be known as the — Ancient Forest.

20 (6) Certain lands in the State of Washington in
21 the — district of the Bureau of Land Management
22 which comprise approximately — acres as generally
23 depicted on a map entitled “— Ancient Forest—Pro-
24 posed” dated —, 199—, which shall be known as the
25 — Ancient Forest.

1 (b) **MAPS AND LEGAL DESCRIPTION.**—As soon as
2 practicable after the designation of a component of the
3 system by subsection (a), the Secretary shall file a map and a
4 legal description of that component with the appropriate
5 committees of Congress. Such map and description shall have
6 the same force and effect as if included in this Act, except
7 that correction of clerical and typographical errors in such
8 legal description and map may be made. Such map and legal
9 description shall be on file and available for public inspection
10 in the offices of the administering agency.

11 **SEC. 6. INTERIM PROTECTION OF ANCIENT FOREST AND AS-**
12 **SOCIATED FOREST.**

13 (a) **IN GENERAL.**—Until otherwise provided by law en-
14 acted after the date of enactment of this Act, all Federal
15 forest lands in the States of Washington, Oregon, and Cali-
16 fornia which qualify as ancient forest or associated forest but
17 are not designated as a component of the system by section 5
18 shall be managed in accordance with section 4(b).

19 (b) **DESIGNATION.**—Not later than 45 days after the
20 date of enactment of this Act, the Secretary of Agriculture
21 and the Secretary of the Interior with respect to lands under
22 their jurisdictions shall issue findings and publish maps desig-
23 nating those Federal forest lands in the States of Washing-
24 ton, Oregon, and California that are subject to subsection (a).

1 (c) **COMMERCIAL TIMBER.**—The Secretary of Agricul-
2 ture and the Secretary of the Interior with respect to lands
3 under their jurisdictions shall issue all necessary administra-
4 tive orders or regulations—

5 (1) removing the volume of any commercial
6 timber within any area designated for interim protec-
7 tion under this section from any determination of
8 timber available for commercial harvest; and

9 (2) requiring the Forest Service and the Bureau of
10 Land Management to reduce their annual timber sale
11 offerings by an amount equal to the volume of commer-
12 cially harvestable timber determined before the date of
13 enactment of this Act to have been otherwise available
14 within the designated units.

15 (d) **AGENCY MANAGEMENT ACTIVITY; FINDINGS.**—
16 Before undertaking any action that may result in the cutting
17 or removal of any vegetation or any other alteration of any
18 other characteristic of or within any lands designated for in-
19 terim protection under this section, the respective Secretary
20 shall make a finding that the proposed action does not violate
21 this Act. Each such finding shall be accompanied by reasona-
22 ble supporting scientific evidence and shall be published in
23 the Federal Register. The Secretary shall allow an adequate
24 period for public comment before the action is undertaken.
25 No such action may be commenced before the end of the 60-

1 day period beginning on the day that public notice regarding
2 such action is issued.

3 (e) **RELEASE.**—Upon the enactment of a law by the
4 Congress which designates, on a forest by forest or district by
5 district basis, detailed boundaries of tracts of ancient forest or
6 associated ancient forest in the same manner as the tracts
7 permanently designated under section 5 of this Act, this sec-
8 tion shall no longer apply to any lands of that forest or dis-
9 trict not so designated. Those lands not so designated as
10 units of the system thereafter shall be managed in accordance
11 with the Endangered Species Act, the Forest and Rangeland
12 Renewable Resources Planning Act of 1974, the National
13 Forest Management Act of 1976, the Federal Land Policy
14 and Management Act of 1976, the Federal Water Pollution
15 Control Act, and all other applicable laws and treaties.

16 **SEC. 7. PERPETUATION OF ANCIENT FOREST SYSTEM; STUDY.**

17 (a) **NEED FOR STUDY.**—The Congress finds that the an-
18 cient forest, and its associated wildlife and plant life, depends
19 greatly for its survival upon surrounding or connecting forest
20 for the purpose of providing corridors for dispersal, migration,
21 mixing of populations to ensure retention of genetic diversity,
22 reproduction, cover, water quality, and survival of fish and
23 wildlife species. Such surrounding or connecting forest must
24 be sufficient in size, location, and configuration to protect or

1 restore the ancient forest from the effects of logging, wind-
2 throw, fire, or other manmade or natural event.

3 (b) **POLICY.**—The Congress, therefore, declares that, it
4 being the goal of this Act to assure the existence and survival
5 of an enduring resource of ancient forest in perpetuity for the
6 benefit of the American people, it is the policy of the United
7 States to develop and utilize the best scientific information
8 and knowledge for the purposes of further study and identifi-
9 cation of the biological and ecological requirements of ancient
10 forest ecosystems.

11 (c) **INITIAL INVESTIGATION.**—The Chairman of the
12 Council on Environmental Quality, in cooperation with ap-
13 propriate agencies and interested parties, shall convene a
14 panel of experts from universities and government and pri-
15 vate research and scientific organizations for the purpose of
16 initiating, overseeing, and publishing a study to determine
17 the biological and physical requirements for the survival and
18 perpetual existence of ancient forest ecosystems.

19 (d) **REPORT.**—Not later than January 31, 1992, the
20 Chairman of the Council on Environmental Quality shall
21 submit to the appropriate committees of the Congress a
22 report regarding such study, complete with recommendations
23 and maps as appropriate. Such recommendations shall in-
24 clude (but not be limited to) the exact extent and location of
25 additional corridors, buffer zones, restoration areas, and other

1 aspects of associated forest, as necessary, to carry out the
2 purposes of this Act.

3 SEC. 8. OVERSIGHT AND REVIEW.

4 (a) BURDEN OF PROOF.—In any action relating to in-
5 terim protection under section 6, the burden of proof shall be
6 on the United States to establish by clear and convincing
7 evidence that the decisions and actions of the Secretary of
8 Agriculture or the Secretary of the Interior are consistent
9 with this Act.

10 (b) INTERIM PROTECTION PENDING APPEAL.—(1) If
11 an appeal of a decision is made to an agency to enforce the
12 interim protection requirements of section 6 with respect to
13 an area, the Secretary concerned shall provide interim pro-
14 tection to that area in accordance with section 6 until the
15 issuance of a final decision by the agency regarding that
16 appeal.

17 (2) In the case of any such final decision by an agency
18 upholding the decisions or actions of the Secretary con-
19 cerned, the Secretary shall provide interim protection to the
20 area concerned in accordance with section 6 until after the
21 nonprevailing parties have had an opportunity for a hearing
22 before the appropriate Federal district court, and thereafter
23 until such time as an appellant has had an opportunity for
24 appellate review of that district court decision.



101ST CONGRESS
2D SESSION

H. R. 4909

To assure stability of communities dependent on outputs of timber and other resources from national forests and public lands, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 23, 1990

Mr. ROBERT F. SMITH (for himself and Mr. DENNY SMITH) introduced the following bill; which was referred jointly to the Committees on Agriculture and Interior and Insular Affairs

A BILL

To assure stability of communities dependent on outputs of timber and other resources from national forests and public lands, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be known as the "Community Stability
5 Act of 1990".

6 **SEC. 2. DEFINITIONS.**

7 As used in this Act:

8 (1) The term "resource-dependent", when used in
9 conjunction with "community", means a community

1 whose economy, in terms of private employment,
2 public revenues and other relevant factors, is substan-
3 tially dependent on outputs or resources of a national
4 forest or unit of public lands, or combination of such
5 forests or units.

6 (2) The term "community", when used in con-
7 junction with "resource-dependent", means a local
8 governmental unit of general jurisdiction that is recog-
9 nized by the State in which it is located.

10 (3) The term "Secretary" means the Secretary of
11 Agriculture with regard to national forest lands and
12 the Secretary of the Interior with regard to public
13 lands under his jurisdiction.

14 **SEC. 3. POLICY.**

15 It is the policy of the Congress that national forests and
16 public lands of the United States be managed and utilized in
17 such a manner as to not—

18 (1) create instability in the resource-dependent
19 communities associated with each particular national
20 forest or unit of public land; or

21 (2) create barriers to access to any area of the na-
22 tional forests or public lands by persons who are dis-
23 abled or limited in personal mobility by reason of age.

1 SEC. 4. PLANNING.

2 The Secretaries shall assure that in order to achieve the
3 policy of section 3, planning required by law for each national
4 forest and unit of public land under their respective jurisdic-
5 tions shall satisfy the following additional requirements:

6 (1) A community assessment for each affected re-
7 source-dependent community shall be prepared and
8 published prior to the preparation and publication of
9 draft alternative plans (including plan amendments or
10 plan revisions) for the particular national forest or unit
11 of public land. This community assessment shall docu-
12 ment and analyze the nature and extent of community
13 dependence on the national forest or unit of public land
14 in terms of—

15 (A) available and achieved outputs for
16 timber, mining, livestock, motorized and non-mo-
17 torized recreation, and other community-related
18 uses;

19 (B) community and market demands and ca-
20 pabilities;

21 (C) employment;

22 (D) local government receipts; and

23 (E) other relevant economic, social and envi-
24 ronmental factors.

25 Such a community assessment shall cover at least the
26 previous 10 years and the present.

1 (2) After completion of the community assess-
2 ments and prior to the publication of draft alternative
3 plans, there shall be established for each national forest
4 or unit of public land a minimum management require-
5 ment for timber, mining, livestock, motorized and non-
6 motorized recreation, and other community-related out-
7 puts sufficient to assure successful achievement of the
8 policy established in section 3 throughout the maxi-
9 mum period that the pending plan will be in effect.

10 (3) The justification for the selection of a preferred draft
11 alternative and of a final plan must include analysis of the
12 impacts on community stability in light of the policy of sec-
13 tion 3 and the relevant community assessments.

14 (4) When any plan reduces a commodity output more
15 than 4 percent below the average output of the 5 years pre-
16 ceding the year in which the plan is adopted, the Secretary
17 shall defer full implementation of that output reduction for a
18 sufficient time so that the reduction in output under the plan
19 in comparison to the average output of the 5 years preceding
20 the year in which the plan is adopted is no greater than 4
21 percent per year.

22 **SEC. 5. REPORTS.**

23 (a) **ANNUAL REPORT.**—The Secretaries shall report an-
24 nually to the Congress concerning the steps they have taken

1 to achieve the policy of section 3 and their success in achiev-
2 ing that policy.

3 (b) EVALUATIONS.—During the 4th and 7th years in
4 effect of each final management plan for a national forest or
5 unit of public land, the Secretary shall prepare and publish an
6 evaluation of whether the plan has achieved the policy of
7 section 3, and, if it has not, why it has not. Such reports shall
8 include such updatings of community assessments as is
9 appropriate.

10 **SEC. 6. REGULATIONS.**

11 The Secretaries shall promulgate within 9 months after
12 the date of enactment of this Act such regulations as are
13 necessary to implement this Act, including jointly developed
14 regulations further defining “resource-dependent community”
15 and establishing procedures for the preparation of community
16 assessments.

17 **SEC. 7. SEVERABILITY OF PROVISIONS.**

18 If any provision of this Act or the application thereof to
19 any person or circumstances is held invalid, the validity of
20 the remainder of this Act and of the application of such provi-
21 sions to other persons and circumstances shall not be affected
22 thereby.

23 **SEC. 8. EFFECTIVE DATE.**

24 This Act shall take effect January 1, 1991. The provi-
25 sions of section 4 shall be implemented with the first amend-

32

6

1 ment or revision of a land use management plan begun after
2 January 1, 1991.

○

101ST CONGRESS
2D SESSION

H. R. 5094

To facilitate the implementation of national forest land and resource management plans, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 20, 1990

Mr. AUCOIN (for himself, Mr. MORRISON of Washington, and Mr. ROBERT F. SMITH) introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To facilitate the implementation of national forest land and resource management plans, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "National Forest Plan
5 Implementation Act of 1990".

6 **SEC. 2. FINDINGS.**

7 The Congress finds as follows:

8 (a) The National Forest Management Act was enacted
9 in 1976 in order to assure orderly and environmentally sensi-
10 tive planning, with substantial public involvement, for the

1 multiple use of national forest resources in a stable and pre-
2 dictable manner.

3 (b) Numerous forest land and resource management
4 plans are uncompleted although the Act's deadline for plan
5 completion was September 30, 1985.

6 (c) Some completed land and resource management
7 plans in controversial areas have not been successfully imple-
8 mented.

9 (d) Changes in policy made outside the planning process
10 have resulted in the constructive amendment of completed
11 land and resource management plans without adherence to
12 procedures for plan amendment required by the Act and reg-
13 ulation.

14 (e) The volume of administrative appeals and litigation
15 challenging the completion and implementation of land and
16 resource management plans is far greater than the Congress
17 contemplated when the Act was passed.

18 (f) The administrative appeals and litigation have sub-
19 stantially delayed the preparation of land and resource man-
20 agement plans and have frustrated, and at times paralyzed,
21 plan implementation and forest management actions.

22 (g) On several occasions the Congress has been com-
23 pelled to enact emergency provisions to alleviate forest man-
24 agement problems in various national forests caused by plan
25 preparation and plan implementation appeals and litigation.

1 (h) Professional forest management decisions are better
2 made by forest professionals, as intended under the Act, than
3 through the litigation process.

4 (i) Additional conditions governing the implementation,
5 amendment and revision of land and resource management
6 plans are necessary to achieve the stability and certainty in
7 national forest management intended by the Act, and to
8 avoid the environmental impacts and community social and
9 economic dislocation that result from instability and uncer-
10 tainty in forest management.

11 (j) The national forest planning process has ignored the
12 global environmental importance of forest products, whose
13 raw material is renewable and whose energy requirements
14 for production are less than those of alternative materials.

15 (k) The inability to implement national forest plans has
16 resulted in negative domestic environmental impacts. Failure
17 of implementation has caused timber shortages and conse-
18 quent higher prices for wood products. That, in turn, has
19 increased use of environmentally inferior wood substitutes
20 such as plastics, steel and aluminum.

21 TITLE I—AMENDING AND REVISING PLANS

22 SEC. 101. Section 6 of the National Forest Management
23 Act of 1976, as amended (16 U.S.C. 1604), is amended by
24 adding a new paragraph (e)(3) as follows:

1 “(3) maintain to the maximum extent feasible the
2 stability of any community economically dependent
3 upon a unit of the National Forest System, and shall
4 prepare in the course of any forest plan amendment or
5 revision undertaken after the date of enactment of this
6 paragraph an analysis for each such community that—

7 “(i) examines the impacts of planning alter-
8 natives on the community, its revenues and
9 budget, the level and quality of its public services,
10 the employment and income of its residents, and
11 its social conditions;

12 “(ii) explains how resource allocations for the
13 planning alternatives would comport with or differ
14 from historical community expectations; and

15 “(iii) describes how those impacts were con-
16 sidered in selecting a preferred alternative.

17 For purposes of this Act, ‘community’ means a county, bor-
18 ough, incorporated or unincorporated town or village, town-
19 ship, or other local government unit of general jurisdiction or
20 powers recognized by the state in which it is located. The
21 Secretary, in consultation with the Secretaries of Commerce
22 and Labor, shall define by regulation the term ‘community
23 economically dependent upon a unit of the National Forest
24 System’ as used in this paragraph.”.

1 SEC. 102. Section 6 of the National Forest Management
2 Act of 1976, as amended (16 U.S.C. 1604), is amended by
3 renumbering paragraph (f)(5) as (f)(6) and inserting a new
4 paragraph (f)(5) as follows:

5 “(5) no longer have force and effect unless
6 amended within three years of the effective date of any
7 significant amendment to regional guidance, as defined
8 in subsection (g)(5) of this Act, to conform with that
9 amendment. Any regional guidance amendment directly
10 or indirectly reducing an annual commodity output
11 under a plan by more than one per centum in compari-
12 son to the average output of the commodity from the
13 forest for the five fiscal years preceding the year in
14 which the amendment is adopted shall be considered
15 significant under this subsection;”.

16 SEC. 103. Section 6 of the National Forest Management
17 Act of 1976, as amended (16 U.S.C. 1604), is amended by
18 adding a new paragraph (f)(7) as follows:

19 “(7) be subject to the following additional provi-
20 sions concerning amendment and revision:

21 “(A) Any change in a plan that is required
22 by a court order or designation of a threatened or
23 endangered species or other action under the En-
24 dangered Species Act, or that is directly or indi-
25 rectly proposed by means of an allegation of new

1 information, shall be made only pursuant to para-
2 graph (4) or (6) of this subsection.

3 “(B) When a plan amendment or revision
4 process is initiated pursuant to paragraph (A), the
5 Secretary shall consider and discuss in decision
6 and environmental analysis documentation other
7 land use or management changes that, in combi-
8 nation with the required change, would be appro-
9 priate to maintain overall plan balance and meet
10 other plan goals and outputs.”.

11 SEC. 104. Section 6 of the National Forest Management
12 Act of 1976, as amended (16 U.S.C. 1604), is amended by
13 adding a new paragraph (g)(4) as follows:

14 “(4) specifying that in the presentation of alterna-
15 tive plans for each forest, the Secretary shall analyze
16 the fully allocated cost including foregone revenues,
17 expressed as a user fee or cost-per-beneficiary, of each
18 noncommodity output proposed by each alternative.”.

19 SEC. 105. Section 6 of the National Forest Management
20 Act of 1976, as amended (16 U.S.C. 1604), is amended by
21 adding a new paragraph (g)(5) as follows:

22 “(5) providing procedures for the adoption of, and
23 specifying the role, if any, of regional guidance and
24 minimum management requirements in the planning

1 process, including the following definitions and require-
2 ments:

3 “(A) ‘Regional guidance’ is any regional di-
4 rective that provides standards and guidelines for
5 addressing major issues and management concerns
6 at the Forest Service regional level to facilitate
7 forest planning. The issuance of regional guidance
8 is discretionary.

9 “(B) A ‘minimum management requirement’
10 is any directive adopted at the regional or forest
11 level that guides the development, analysis, ap-
12 proval, implementation, monitoring or evaluation
13 of land and resource management plans. The issu-
14 ance of minimum management requirements is
15 discretionary except where required by this Act.

16 “(C) The Secretary shall provide for public
17 participation comparable to that required by sub-
18 section (d) of this section in the development by
19 any regional guidance or minimum management
20 requirement.

21 “(D) A minimum management to achieve a
22 level of timber sales based on goals developed
23 pursuant to Section 4 of this Act (16 U.S.C.
24 1602) shall be established for each unit of the Na-
25 tional Forest System.”.

1 SEC. 106. Section 6 of the National Forest Management
2 Act of 1976, as amended (16 U.S.C. 1604), is amended by
3 inserting "(1)" at the start of the first paragraph following
4 the title of subsection (i) and adding to subsection (i) a new
5 paragraph (2) as follows:

6 "(2) The Secretary shall certify in writing as a part of
7 the decision on each implementing action that such decision
8 does not preclude achieving plan outputs. The Secretary shall
9 regularly monitor forest management and forest outputs to
10 ensure that a plan is not constructively changed through a
11 pattern of implementing actions or failures to take imple-
12 menting action that is inconsistent with the plan. If the Sec-
13 retary finds the plan has so changed, he shall direct that
14 corrective implementing actions be undertaken to restore
15 plan consistency or that the plan be amended."

16 SEC. 107. Section 6 of the National Forest Management
17 Act of 1976, as amended (16 U.S.C. 1604), is amended by
18 changing the period at the end of subsection (j) to a colon and
19 adding the following: "*Provided, That to maintain the stabili-*
20 *ty of communities economically dependent on a national*
21 *forest, the Secretary shall delay through annual phase-in the*
22 *full implementation of any portion of a plan, plan amendment*
23 *or plan revision as may be required to assure that no reduc-*
24 *tion in any commodity output under the plan, plan amend-*
25 *ment or plan revision is greater than two and one-half per*

1 centum per year in comparison to the average output of the
2 commodity from the forest for the five fiscal years preceding
3 the year in which the plan, plan amendment or plan revision
4 is adopted (as measured by volume offered for lease or
5 sale).”.

6 TITLE II—STATUS OF PLANS

7 SEC. 201. Section 6 of the National Forest Management
8 Act of 1976, as amended (16 U.S.C. 1604), is amended by
9 inserting “(1)” at the start of the first paragraph following
10 the title of subsection (c) and adding to subsection (c) a new
11 paragraph (2) as follows:

12 “(2) When a unit of the National Forest System is sub-
13 ject to a land and resource management plan developed in
14 accordance with this Act, such unit shall be managed under
15 the most recent finally adopted initial, amended or revised
16 version of that plan. If at any time a finally adopted version
17 of a plan or portion thereof is enjoined by court order from
18 operation or ceases to have force and effect under subsection
19 (f)(5) of this Act, the management of the unit shall continue
20 under the immediately previous final version of that plan or
21 relevant portion thereof, which shall not be subject to chal-
22 lenge or injunction except as provided in this section.”.

1 **TITLE III—IMPLEMENTATION OF PLANS**

2 **SEC. 301.** Section 6 of the National Forest Management
3 Act of 1976, as amended (16 U.S.C. 1604), is amended by
4 adding at the end thereof a new subsection (n) as follows:

5 “(n) **ADMINISTRATIVE APPEALS AND PETITIONS.**—(1)
6 Administrative appeal of a land and resource management
7 plan, regional guidance or other document adopted by the
8 Secretary pursuant to this section, or of an implementing
9 action under a land and resource management plan, shall be
10 in accordance with rules promulgated by the Secretary and
11 with the following additional provisions. Standing to appeal
12 such a plan, guidance or document shall be available only to
13 persons who have submitted written or oral comment in the
14 Secretary’s initial preparation, amendment or revision of the
15 plan, guidance or document being appealed.

16 “(2)(A) If a person believes, based on new information,
17 that a land and resource management plan must be amended
18 or revised, the person shall petition to the Secretary for such
19 amendment, revision or change. Petitions shall be filed in ac-
20 cordance with regulations adopted by the Secretary. The
21 Secretary may provide for further administrative review of
22 the initial decision on the petition.

23 “(B) For purposes of this section, ‘new information’
24 means information related to the plan or to an implementing
25 action under the plan that was not known to and considered

1 by the Secretary in the preparation of the plan, plan amend-
2 ment, or plan revision.

3 “(3) No administrative stay pending appeal or petition
4 filed under this subsection shall extend beyond, or be imposed
5 after, the regulatory deadline for a final decision on the
6 appeal or the petition notwithstanding whether such final de-
7 cision has been issued.

8 “(4) Failure by the Secretary to issue a final decision on
9 appeal or petition by the prescribed regulatory deadline, not
10 including any extensions thereto that may be granted by the
11 Secretary, shall be deemed to be a denial of the appeal or
12 petition for purposes of this section.”.

13 SEC. 302. Section 6 of the National Forest Management
14 Act of 1976, as amended (16 U.S.C. 1604), is amended by
15 adding at the end thereof a new subsection (o) as follows:

16 “(o) JUDICIAL REVIEW OF LAND AND RESOURCE
17 MANAGEMENT PLANS.—(1) Suits to challenge a land and
18 resource management plan, or an amendment or revision
19 thereto, adopted by the Secretary pursuant to this section, or
20 a decision by the Secretary not to amend or revise such a
21 plan, shall be filed in the United States court of appeals for
22 the circuit in which the national forest which is the subject of
23 the plan is located. Such court shall have jurisdiction to hear
24 and determine any suit brought as provided in this subsec-
25 tion, subject to the terms and restrictions of this subsection.

1 Standing to obtain review shall be available only to persons
2 who have—

3 “(A) submitted written or oral comment as pro-
4 vided by this Act in the Secretary’s initial preparation,
5 amendment or revision of the plan; and

6 “(B) exhausted their administrative remedies.

7 “(2) Any suit must be filed not more than 90 days after
8 the final decision of the Secretary on the relevant administra-
9 tive appeal of the plan. The plan or any portion thereof, as
10 finally adopted, shall not thereafter be reviewable as a part of
11 any other action under this Act or any other law.

12 “(3) A suit under this subsection shall not allege or rely
13 upon new information as defined in subsection (n)(2)(B) of this
14 Act unless the party has petitioned the Secretary pursuant to
15 subsection (n)(2)(A) of this Act, the Secretary has denied the
16 petition, and the party has exhausted any administrative
17 appeal rights concerning that denial.

18 “(4) The record upon review shall be limited to the ad-
19 ministrative record compiled in accordance with this Act, and
20 to such additional written evidence as the court shall
21 permit.”.

22 SEC. 303. Section 6 of the National Forest Management
23 Act of 1976, as amended (16 U.S.C. 1604), is amended by
24 adding at the end thereof a new subsection (p) as follows:

1 “(p) JUDICIAL REVIEW OF DOCUMENTS ESTABLISH-
2 ING POLICIES IMPACTING ON FOREST PLANS.—(1) Issu-
3 ance of (i) regional guidance or other document that estab-
4 lishes minimum management requirements in the forests
5 within a Forest Service region, or (ii) a minimum manage-
6 ment requirement for a particular forest, shall be considered a
7 final agency action. Suits to challenge such guidance, docu-
8 ment or requirement shall be filed in the United States court
9 of appeals for the circuit in which the national forest which is
10 the subject of the plan is located. Such court shall have juris-
11 diction to hear and determine any suit brought as provided in
12 this subsection, subject to the terms and restrictions of this
13 subsection. Standing to obtain review shall be available only
14 to persons who have—

15 “(A) submitted written or oral comment as pro-
16 vided by this Act in the Secretary’s initial preparation,
17 amendment or revision of the guidance, document or
18 requirement if notice and opportunity for public com-
19 ment was provided, and

20 “(B) exhausted their administrative remedies.

21 “(2) Any suit must be filed not more than 60 days after
22 the final decision of the Secretary on any administrative
23 appeal of the guidance, document or requirement. The guid-
24 ance, document or requirement, or any portion thereof, as
25 finally adopted shall not thereafter be reviewable as a part of

1 any other action under this Act or any other provision of law
2 or regulation in existence at the conclusion of such 60-day
3 period.

4 “(3) The record upon review shall be limited to the ad-
5 ministrative record compiled in accordance with this Act, and
6 to such additional written evidence as the court shall
7 permit.”.

8 SEC. 304. Section 6 of the National Forest Management
9 Act of 1976, as amended (16 U.S.C. 1604), is amended by
10 adding at the end thereof of a new subsection (q) as follows:

11 “(q) JUDICIAL REVIEW OF ACTION IMPLEMENTING A
12 LAND AND RESOURCE MANAGEMENT PLAN.—(1) Suits to
13 challenge an action implementing a land and resource man-
14 gement plan adopted, amended or revised by the Secretary
15 pursuant to this section shall be filed in the United States
16 district court for the district in which the implementing action
17 will occur. Such court shall have jurisdiction to hear and de-
18 termine any suit brought as provided in this subsection, sub-
19 ject to the terms and restrictions of this subsection. Standing
20 to obtain review shall be available only to persons who
21 have—

22 “(A) submitted written or oral comment in the
23 Secretary’s development of the challenged implement-
24 ing action if notice and opportunity for public comment
25 was provided, and

1 “(B) exhausted their administrative remedies.

2 “(2) Any suit must be filed not more than 30 days after
3 the final decision of the Secretary on any administrative
4 appeal of the action.

5 “(3) A suit under this subsection shall not allege or rely
6 upon new information as defined in subsection (n)(3)(B) of this
7 Act.

8 “(4) The record upon review shall be limited to the ad-
9 ministrative record compiled in accordance with this Act, and
10 to such additional written evidence as the court shall permit.

11 “(5) Any action found to be not inconsistent with the
12 plan it implements is valid.”.

13 SEC. 305. Section 6 of the National Forest Management
14 Act of 1976, as amended (16 U.S.C. 1604), is amended by
15 adding at the end thereof a new subsection (r) as follows:

16 “(r) DEADLINES AND PROCEDURES.— (1) No restrain-
17 ing order, preliminary injunction or injunction pending appeal
18 shall be issued by any court of the United States with respect
19 to a land and resource management plan, regional guidance
20 or other document that establishes minimum management re-
21 quirements, or implementing action that is the subject of sub-
22 section (o), (p) or (q) respectively.

23 “(2) The affected agency shall take no irreversible
24 action to implement a decision being challenged under this
25 section for the number of days specified below after the date

1 of filing of a suit to challenge, or of filing a notice to appeal
2 or writ of certiorari following the decision on a suit to chal-
3 lenge:

4 “(A) A land and resource management plan that
5 is the subject of subsection (o), 180 days.

6 “(B) Regional guidance or other document that is
7 the subject of subsection (p), 120 days.

8 “(C) An implementing action that is the subject of
9 subsection (q), 60 days: *Provided, however,* That the
10 period shall be 30 days in the case of an action to offer
11 or award salvage timber or in the case of such other
12 action that is determined by the Secretary to be an
13 emergency action.

14 “(3) A suit governed by this section or any appeal of the
15 decision on such suit shall be assigned for hearing at the
16 earliest possible date and shall take precedence over all other
17 matters pending on the docket of the court at that time
18 except for criminal cases.

19 “(4) The court shall render its final decision relative to
20 any suit governed by this section or appeal of decision on
21 such suit within the number of days specified in paragraph
22 (3)(A-C) from the date such suit or appeal is filed, unless the
23 court determines that a longer period of time is required to
24 satisfy the requirements of the United States Constitution.”.

1 SEC. 306. Section 6 of the National Forest Management
2 Act of 1976, as amended (16 U.S.C. 1604), is amended by
3 adding at the end thereof a new subsection (s) as follows:

4 “(s) **TIERING OF ENVIRONMENTAL DOCUMENTA-**
5 **TION.**—(1) Where documentation pursuant to section
6 102(2)(C) of the National Environmental Policy Act of 1969
7 is required on an action implementing a land and resource
8 management plan, such documentation shall be tiered to the
9 final environmental impact statement, as amended or supple-
10 mented, on the plan. The documentation on the action shall
11 incorporate by reference the relevant analysis of the final en-
12 vironmental impact statement, including cumulative impact
13 analysis, and shall focus on any site-specific or project-specif-
14 ic environmental consequences which are required to be ana-
15 lyzed and have not been analyzed, or which are substantially
16 different from or greater than the general environmental con-
17 sequences which have been analyzed in the final environmen-
18 tal impact statement.

19 “(2) An environmental assessment, as defined by the
20 Council on Environmental Quality, shall be the most compre-
21 hensive level of environmental documentation required for an
22 action implementing a plan except when the Secretary, in his
23 discretion, determines that the nature or scope of potential
24 environmental consequences of an implementing action is
25 substantially different from or greater than the nature or

1 scope of the consequences considered in the final environmen-
2 tal impact statement for the plan.”.

3 SEC. 307. Section 6 of the National Forest Management
4 Act of 1976, as amended (16 U.S.C. 1604), is amended by
5 adding at the end thereof a new subsection (t) as follows:

6 “(t) ACHIEVEMENT OF ALLOWABLE SALE QUANTI-
7 TY.—(1) Where a particular land area is identified in a land
8 and resource management plan as contributing to the allow-
9 able sale quantity of timber, no management action shall pre-
10 clude the achievement, on a decadal basis, of the allowable
11 sale quantity designated for that particular area.

12 “(2) The Secretary shall offer, on a decadal basis, the
13 full allowable sale quantity of timber specified in each land
14 and resource management plan. Not less than 30 per centum
15 of the decadal annual sale quantity shall be awarded in any
16 three consecutive years.”.

17 SEC. 308. Section 8 of the National Forest Management
18 Act of 1976, as amended (16 U.S.C. 1606), is amended by
19 inserting the following after the first sentence of subsection
20 (b): “Commencing with the fiscal budget for the year ending
21 September 30, 1992, such requests shall include as an appen-
22 dix to the budget a statement of what funds would be re-
23 quired to achieve 100 per centum of annual outputs specified
24 for each forest in its respective land and resource manage-
25 ment plan.”.

○

101st CONGRESS
2D Session

H. R. 5116

To require the development and consideration of alternatives for the conservation of the Northern Spotted Owl, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 21, 1990

Mr. DeFAZIO (for himself, Mrs. UNSOLD, Mr. SWIFT, Mr. MORRISON of Washington, Mr. BOSCO, and Mr. WYDEN) introduced the following bill; which was referred jointly to the Committees on Agriculture, Interior and Insular Affairs, and Merchant Marine and Fisheries

A BILL

To require the development and consideration of alternatives for the conservation of the Northern Spotted Owl, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 SECTION 1. FINDINGS.

4 The Congress finds and declares that—

5 (1) the Forest Service intends to implement solely
6 the recommendations of the Interagency Scientific
7 Committee to Address the Conservation of the North-
8 ern Spotted Owl, dated May 1990 (hereafter in this
9 Act referred to as the "ISC report"), as an interim

1 management plan to protect the Northern Spotted Owl
2 and its habitat;

3 (2) the Forest Service and the Bureau of Land
4 Management estimate that full and immediate imple-
5 mentation of such recommendations would cause a de-
6 crease in public timber sale levels in Oregon, Washing-
7 ton, and Northern California of more than 2 billion
8 board feet;

9 (3) such large and immediate reductions in the
10 public timber sale levels would cause considerable eco-
11 nomic dislocation throughout the region, especially in
12 areas of high dependence upon the public timber re-
13 source; and

14 (4) through extensive testimony given before the
15 committees of jurisdiction, the Congress believes that
16 alternative management regimes exist that could ac-
17 commodate the habitat requirements of the Northern
18 Spotted Owl, protect ecologically significant old growth
19 forests, and achieve higher levels of timber harvest.

20 **SEC. 2. ALTERNATIVE FOREST MANAGEMENT PLANS WITH**
21 **RESPECT TO THE NORTHERN SPOTTED OWL.**

22 (a) **PREPARATION BY SECRETARIES OF AGRICULTURE**
23 **AND INTERIOR.**—(1) The Secretary of Agriculture, acting
24 through the Chief of the Forest Service, and the Secretary of
25 the Interior, acting through the Director of the Bureau of

1 Land Management, shall, with respect to lands under their
2 respective jurisdictions and in consultation with each other
3 and the Director of the United States Fish and Wildlife Serv-
4 ice, prepare plans for timber sales on lands containing popu-
5 lations of the Northern Spotted Owl. Such plans shall at-
6 tempt to achieve timber sale levels greater than those avail-
7 able under a strict application of the ISC report.

8 (2) To the extent practical, the plans prepared under
9 paragraph (1) shall contain prudent alternatives for comply-
10 ing with the criteria for the conservation of the Northern
11 Spotted Owl as a threatened species under the Endangered
12 Species Act of 1973 in a manner that minimizes the disrup-
13 tion of employment in public timber-dependent communities.
14 Such alternatives shall seek to diminish the impact of man-
15 agement for the Northern Spotted Owl by—

16 (A) distributing the reduction of public timber har-
17 vest levels throughout the region in a manner that
18 minimizes employment loss in public timber-dependent
19 communities;

20 (B) applying alternative forest management prac-
21 tices which incorporate reduction of fragmentation of
22 ecologically significant old growth forests, relaxed dis-
23 persion constraints, and maintenance of diverse forest
24 canopy structures so that, to the extent practical, op-
25 portunities for additional timber sale levels can be iden-

1 tified in areas that would otherwise be reserved pursu-
2 ant to the recommendations of the ISC report or forest
3 plans prepared pursuant to the Forest and Rangeland
4 Renewable Resources Planning Act of 1974, including
5 substitution of otherwise unreserved old growth forest
6 areas for forests included in the habitat conservation
7 areas identified by the ISC report; and

8 (C) proposing incremental reductions in annual
9 timber sale levels to those levels identified by the
10 agencies to meet the guidelines established in response
11 to the listing of the Northern Spotted Owl as a threat-
12 ened or endangered species under the Endangered Spe-
13 cies Act of 1973.

14 (3) The Secretaries shall identify any additional expendi-
15 tures and increases in agency employee levels needed to ac-
16 complish each alternative submitted.

17 (4) The plans prepared under this subsection shall be
18 submitted to the Director of the United States Fish and
19 Wildlife Service not later than January 1, 1991.

20 (5) The Secretary of the Interior shall invite proposals
21 of alternative plans from interested parties or groups to be
22 submitted no later than January 1, 1991.

23 (b) CONSIDERATION BY UNITED STATES FISH AND
24 WILDLIFE SERVICE.—(1) The plans submitted to the Direc-
25 tor of the United States Fish and Wildlife Service under sub-

1 section (a) shall be considered in accordance with the consul-
2 tation requirements of section 7 of the Endangered Species
3 Act of 1973.

4 (2) The Director shall promptly provide the Secretary of
5 Agriculture and the Secretary of the Interior with a written
6 statement that sets forth the opinion of the Director, and a
7 summary of the information on which the opinion is based,
8 regarding each of the alternatives contained within such
9 plans and how each alternative would affect the Northern
10 Spotted Owl or its habitat.

11 (3) If the Director determines that a specific alternative,
12 or modification of an alternative, would be effective in meet-
13 ing the Director's obligations under the Endangered Species
14 Act of 1973 regarding the Northern Spotted Owl, the Secre-
15 tary concerned shall modify the regulations or directions for
16 compliance with the Endangered Species Act of 1973 ac-
17 cordingly.

18 (c) **RULE OF CONSTRUCTION.**—Nothing in this Act
19 shall be construed to alter the responsibilities of any agency
20 or preclude any remedies available under the Endangered
21 Species Act of 1973.

22 **SEC. 3. AUTHORIZATION OF APPROPRIATIONS.**

23 There is authorized to be appropriated such sums as
24 may be necessary to carry out the provisions of this Act.



101ST CONGRESS
2D SESSION

H. R. 5295

To provide for designation by the Secretary of the Interior and the Secretary of Agriculture of an ancient forest reserve system, including lands managed by the Bureau of Land Management and portions of national forests established by reservations from the public domain; to require the Secretary of the Interior and the Secretary of Agriculture to enhance economic stability in the Pacific Northwest; and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 18, 1990

Mr. VENTO (for himself, Mr. UDALL, Mr. MILLER of California, Mr. RAHALL, Mrs. BYRON, Mr. DE LUGO, Mr. KOSTMAYER, Mr. DARDEN, Mr. OWENS of Utah, Mr. LEWIS of Georgia, Mr. McDERMOTT, and Mr. JOHNSON of South Dakota) introduced the following bill; which was referred jointly to the Committees on Interior and Insular Affairs and Agriculture

A BILL

To provide for designation by the Secretary of the Interior and the Secretary of Agriculture of an ancient forest reserve system, including lands managed by the Bureau of Land Management and portions of national forests established by reservations from the public domain; to require the Secretary of the Interior and the Secretary of Agriculture to enhance economic stability in the Pacific Northwest; and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the "Ancient Forest Act of
3 1990".

4 **SEC. 2. FINDINGS.**

5 The Congress finds the following:

6 (1) examples of old growth forest ecosystems are
7 rapidly disappearing from the public lands administered
8 by the Bureau of Land Management and national forest
9 lands;

10 (2) the old growth forest ecosystems of Federal
11 lands of the Pacific Northwest are of unique impor-
12 tance to the Nation, and the northern spotted owl is an
13 indicator of the condition of these ecosystems;

14 (3) significant scientific evaluation and recommen-
15 dations for protecting and preserving the northern spot-
16 ted owl are found in the report to the Secretary of the
17 Interior and the Secretary of Agriculture of the Inter-
18 agency Scientific Committee to Address the Conserva-
19 tion of the Northern Spotted Owl, April 1990;

20 (4) the Nation needs land use policies which re-
21 quire the regeneration of old growth forest ecosystems;

22 (5) some timber dependent rural communities in
23 the Pacific Northwest need economic assistance to
24 become less timber dependent;

25 (6) old growth forest ecosystems help protect the
26 global environment by preserving biological diversity,

1 slowing atmospheric change, and providing a scientific
2 benchmark for monitoring the health of the planet; and
3 (7) the economy of the Pacific Northwest requires
4 a stable and certain supply of timber, and timber prod-
5 ucts from old growth forests on public lands and na-
6 tional forests currently play an important role in this
7 economy.

8 **SEC. 3. PURPOSES.**

9 The purposes of this Act are as follows:

10 (1) To provide for management of certain Federal
11 lands by the Secretary of the Interior and the Secre-
12 tary of Agriculture to assure protection in perpetuity of
13 a resource of old growth forest ecosystems for the use,
14 enjoyment, and recreation of the American people.

15 (2) To ensure the viability and recovery of the
16 northern spotted owl as well as the viability of other
17 species of plants and animals dependent on or associat-
18 ed with old growth forest ecosystems.

19 (3) To provide a stable supply of timber from Fed-
20 eral lands to help maintain the economy of the North-
21 west.

22 (4) To provide assistance in promoting economic
23 diversification and stability in rural communities im-
24 pacted by a declining timber supply, including assist-
25 ance to workers displaced by this decline.

1 **SEC. 4. DEFINITIONS.**

2 **For purposes of this Act:**

3 (1) The terms "Secretary" and "Secretaries"
4 means the Secretary of the Interior in the case of lands
5 under the administrative jurisdiction of the Bureau of
6 Land Management and the Secretary of Agriculture in
7 the case of National Forest System lands.

8 (2) The term "Oregon and California Lands"
9 means those lands administered by the Bureau of Land
10 Management that are identified by the Act of August
11 28, 1937 (43 U.S.C. 1181f).

12 (3) The term "Ancient Forests" means the Pacific
13 Northwest Ancient Forest Reserve System designated
14 under section 5(a) of this Act.

15 (4) The term "Ancient Forest Scientific Commit-
16 tee" means the committee established under section 9
17 of this Act.

18 (5) The term "Douglas Fir Region" means—

19 (A) Federal lands that are included within
20 the following 17 National Forests in Oregon,
21 Washington and Northern California: the Olym-
22 pic, Mt. Baker-Snoqualmie, Wenatchee, Okano-
23 gan, Gifford Pinchot, Mt. Hood, Siuslaw, Willam-
24 ette, Deschutes, Umpqua, Rogue River, Siskiyou,
25 Winema, Klamath, Six Rivers, Shasta-Trinity,
26 and Mendocino; and

1 (B) Federal lands that are included within
2 the following 6 Bureau of Land Management ad-
3 ministrative districts in Oregon and Northern
4 California: Salem, Eugene, Roseburg, Medford,
5 Coos Bay, and Ukiah.

6 (6) The term "habitat conservation areas" means
7 those areas identified as such in the April 1990 report
8 of the Interagency Scientific Committee.

9 (7) The term "Interagency Scientific Committee"
10 means the Scientific Committee to Address the Conser-
11 vation of the Northern Spotted Owl.

12 (8) The term "New Forestry Program" means
13 those forestry techniques defined as the New Forestry
14 Program by the Ancient Forest Scientific Committee
15 pursuant to section 9 of this Act.

16 (9) The term "old growth forest ecosystem" shall
17 have the meaning provided by the Ancient Forest Sci-
18 entific Committee pursuant to section 9 of this Act.

19 **SEC. 5. PACIFIC NORTHWEST ANCIENT FOREST RESERVE**
20 **SYSTEM.**

21 (a) **DESIGNATION OF PACIFIC NORTHWEST ANCIENT**
22 **FOREST RESERVE SYSTEM.**—Within 3 years after the date
23 of enactment of this Act, the Secretary of Agriculture and
24 the Secretary of the Interior shall designate and reserve
25 lands for a Pacific Northwest Ancient Forest Reserve

1 System consisting of Federal lands in the Douglas Fir Region
2 containing 5,660,000 acres on national forest lands and
3 660,000 acres on public lands administered by the Bureau of
4 Land Management, which may include lands already desig-
5 nated, withdrawn, or reserved for other purposes, including
6 wilderness. Designation pursuant to this subsection shall be
7 in addition to, and not in lieu of such other prior designation,
8 withdrawal, or reservation.

9 (b) PURPOSES.—The purposes of the Ancient Forests
10 are to protect for the benefit of present and future genera-
11 tions of Americans the environmental, aesthetic, and recre-
12 ational values of old growth forest ecosystems on Bureau of
13 Land Management and national forest lands in the Douglas
14 Fir Region and to regenerate such ecosystems where they
15 once occurred within the Ancient Forest Reserve System.

16 (c) CRITERIA.—The Ancient Forests shall be designat-
17 ed based on the following criteria:

18 (1) The Ancient Forests shall include lands
19 needed for the viability and recovery of northern spot-
20 ted owl populations. The Secretaries shall consider, as
21 a starting point, but not be limited to, the habitat con-
22 servation areas recommended by the Interagency Sci-
23 entific Committee.

24 (2) The Ancient Forests shall include lands that
25 are needed to protect old growth forest ecosystems and

1 plants and animals dependent on or associated with old
2 growth forest ecosystems and that are needed to main-
3 tain the biological diversity of old growth forest ecosys-
4 tems.

5 (3) The Ancient Forests shall include a significant
6 amount of low elevation old growth forest ecosystems.

7 (4) The Ancient Forests shall be well distributed
8 geographically through the Douglas Fir Region.

9 (5) The Ancient Forests may include some lands
10 that are not currently old growth forest ecosystems, if
11 they can be managed to regenerate old growth forest
12 ecosystems or to provide connectors between remaining
13 old growth forest ecosystems.

14 (6) The Ancient Forests shall include no less than
15 the same amount of acres of old growth forest ecosys-
16 tems as are found in the habitat conservation areas on
17 the date of enactment of this Act.

18 (7) The Ancient Forests shall include at least 50
19 percent of the old growth forest ecosystems as found
20 on the date of enactment of this Act in the Douglas
21 Fir Region and that are outside of congressionally des-
22 ignated areas, such as wilderness areas and wild and
23 scenic rivers where commercial timber sales are pro-
24 hibited.

1 (8) The Secretaries shall consider the recommen-
2 dations of the Ancient Forest Scientific Committee
3 pursuant to section 9.

4 (9) The Secretaries shall consider lands that mini-
5 mize the impacts on Federal timber supply, but only if
6 consistent with the purposes of Ancient Forests and
7 the other criteria of this subsection.

8 (d) REVISIONS BY DEPARTMENTS.—The Secretaries
9 may, as part of their regular land management planning proc-
10 esses, revise the boundaries of the Ancient Forests only if
11 such revisions are consistent with subsections (b) and (c) and
12 comply with each of the following requirements:

13 (1) The revision shall be preceded by public in-
14 volvement.

15 (2) The revision shall maintain the acreage estab-
16 lished by this section.

17 (3) The revision shall be reviewed by the Ancient
18 Forest Scientific Committee, which shall produce a
19 report commenting on the revision before the revision
20 is implemented. The Ancient Forest Scientific Commit-
21 tee may also recommend revisions on its own initiative
22 to the Secretaries.

23 (4) The proposed revisions, together with the
24 report of the Ancient Forest Scientific Committee,
25 shall be submitted to the Committees on Interior and

1 Insular Affairs and Agriculture of the House of Repre-
2 sentatives and to the Committees on Energy and Na-
3 tional Resources and Agriculture of the Senate at least
4 120 days before implementation.

5 **SEC. 6. MANAGEMENT OF THE PACIFIC NORTHWEST ANCIENT**
6 **FOREST RESERVE SYSTEM.**

7 The following shall apply to lands designated as Ancient
8 Forests:

9 (1) No timber harvesting shall be allowed except
10 for the minimum necessary for the protection of old
11 growth forest ecosystems from insects and disease,
12 public safety, recreation, and administration.

13 (2) Effective upon the designation of the Ancient
14 Forests and subject to valid existing rights, Federal
15 lands within the Ancient Forests are withdrawn from
16 disposition under the public land laws and from loca-
17 tion, entry, and patent under the mining laws of the
18 United States, from the operation of the mineral leas-
19 ing laws of the United States and from operation of the
20 Geothermal Steam Act of 1970.

21 (3) Except as prohibited or restricted by applica-
22 ble law or previous designation of lands as wilderness
23 or otherwise, roads, structures, and motorized and non-
24 motorized recreation and access may be permitted
25 within the Ancient Forests where compatible with the

1 protection of old growth forest ecosystems and where
2 consistent with the purposes of Ancient Forests as
3 specified in section 5. The Ancient Forest Scientific
4 Committee shall review all such proposals and make
5 its recommendations to the appropriate Secretary prior
6 to implementation.

7 (4) Except as prohibited or restricted by applica-
8 ble law or previous designation of lands as wilderness
9 or otherwise, the Secretary may permit hunting, trap-
10 ping, and fishing on lands and waters within the An-
11 cient Forests in accordance with applicable Federal
12 and State law. The Secretary may designate zones
13 where, and establish periods when, such activities will
14 not be permitted for reasons of public safety, adminis-
15 tration, fish and wildlife management or public use and
16 enjoyment. Except in emergencies any regulations
17 issued by the Secretary under this subsection shall be
18 put into effect only after consultation with the appro-
19 priate State agencies responsible for hunting and fish-
20 ing activities.

21 (5) Areas within the Ancient Forests not meeting
22 the definition of old growth forest ecosystems, as de-
23 fined under this Act, or damaged by fire or other natu-
24 ral causes, shall be managed to regenerate old growth
25 forest ecosystems.

1 SEC. 7. OLD GROWTH FOREST ECOSYSTEMS OUTSIDE AN-
2 CIENT FORESTS.

3 Any timber harvest in an area of an old growth forest
4 ecosystem which is outside of Ancient Forests but within the
5 Douglas Fir Region shall be managed using the techniques
6 described under the New Forestry Program. These tech-
7 niques shall include (but not be limited to)—

8 (1) managing for ecosystems and multiple re-
9 sources rather than for individual resources;

10 (2) allowing for a high level of structural and
11 compositional diversity in managed stands; and

12 (3) minimizing forest fragmentation.

13 The New Forestry Program shall be instituted no later than
14 3 years after the date of enactment of this Act.

15 SEC. 8. ANCIENT FOREST RESEARCH PROGRAM.

16 (a) ESTABLISHMENT OF RESEARCH PROGRAM.—The
17 Secretary of Agriculture and the Secretary of the Interior
18 shall, within 3 years after the date of enactment of this Act,
19 establish an Ancient Forest Research Program.

20 (b) PURPOSES OF PROGRAM.—The purposes of the re-
21 search program established under this section shall include
22 (but not be limited to) each of the following:

23 (1) Basic research on old growth forest ecosys-
24 tems, their processes, and species dependent on them.

1 (2) The development and testing of ecologically
2 sensitive forest management practices at the stand and
3 landscape levels.

4 (3) Analysis of the socioeconomic impacts of these
5 practices.

6 (4) The integration of recreational, aesthetic, and
7 ecological uses of old growth forest ecosystems with
8 commodity uses of these ecosystems.

9 (5) The feasibility of supplying the economy with
10 old growth forest products on a sustained basis and the
11 methods to accomplish this objective.

12 (6) Techniques for regenerating old growth forest
13 ecosystems.

14 **SEC. 9. THE ANCIENT FOREST SCIENTIFIC COMMITTEE.**

15 (a) **ESTABLISHMENT.**—The President shall establish a
16 permanent 11-person Ancient Forest Scientific Committee
17 (hereafter in this section referred to as the “committee”)
18 within 6 months after the date of enactment of this Act. The
19 committee shall consist of the following members to be ap-
20 pointed by the President from a list of candidates to be devel-
21 oped and submitted to the President by the National Acade-
22 my of Sciences:

23 (1) 1 forest ecologist, appointed to serve as chair-
24 person.

1 (2) 3 forest ecologists with expertise on Douglas
2 Fir Region old growth forest ecosystems.

3 (3) 2 wildlife biologists, one of whom has exper-
4 tise on the northern spotted owl.

5 (4) 1 forest economist with expertise on the econ-
6 omy of the Douglas Fir Region.

7 (5) 1 silviculturist with expertise on Douglas Fir
8 Region forests.

9 (6) 1 forest planner.

10 (7) 1 hydrologist with expertise on Douglas Fir
11 Region watersheds.

12 (8) 1 fisheries biologist with expertise on Douglas
13 Fir Region fisheries.

14 Each member shall be a recognized expert in the field for
15 which the member is considered for appointment and shall be
16 free of economic conflict of interest with regard to the subject
17 of this Act. The list of candidates provided by the National
18 Academy of Sciences shall consist of at least twice as many
19 nominees in each category specified in this section. Members
20 of the committee shall serve for such terms as may be desig-
21 nated at the time of their appointment.

22 (b) ADMINISTRATION OF COMMITTEE.—(1) Except as
23 provided in paragraph (2), members of the committee shall
24 each be paid at a rate not to exceed and consistent with the
25 rate paid to employees of the United States performing simi-

lar duties and with similar qualifications for each day (including travel time) during which they are engaged in the actual performance of duties vested in the committee. While away from their homes or regular places of business in the performance of services for the committee, members of the committee shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in Government service are allowed expenses under section 5703 of title 5 of the United States Code.

(2) Members of the committee who are full-time officers or employees of the United States shall receive no additional pay, allowances, or benefits by reason of their service on the committee.

(3) Upon request of the committee, the head of any Federal agency is authorized to provide facilities, equipment, personnel, and other types of support to the committee to assist the committee in carrying out its duties under this Act.

(c) REPORT.—(1) Within 1 year after the date of enactment of this Act, the committee shall submit a report to the Secretaries containing a definition of old growth forest ecosystems in the Douglas Fir Region.

(2) Within 2½ years after the date of enactment of this Act, the committee shall submit a report to the Secretaries containing recommendations for the Secretaries. The report shall contain each of the following:

1 (A) A definition of old growth forest ecosystems in
2 the Douglas Fir Region.

3 (B) Recommendations on the management of An-
4 cient Forests consistent with section 6.

5 (C) A definition of the New Forestry Program and
6 recommendations for its implementation in the Douglas
7 Fir Region based on the provisions of section 7.

8 (D) Guidelines for the Ancient Forest Research
9 Program based on the provisions of section 8.

10 (E) Recommendations for the boundaries of the
11 Ancient Forests consistent with the provisions of sec-
12 tion 5.

13 (3) The reports under paragraphs (1) and (2) shall also
14 be submitted to the Committees on Interior and Insular Af-
15 fairs and Agriculture of the House of Representatives and to
16 the Committees on Energy and Natural Resources and Agri-
17 culture of the Senate.

18 (c) **EFFECT OF RECOMMENDATIONS.**—Within 6
19 months after receipt of the committee's report, the respective
20 Secretaries shall determine whether or not to adopt the rec-
21 ommendations of the committee. If the respective Secretaries
22 fail to adopt in total the committee's recommendations, they
23 shall provide written notice to Congress of each deviation
24 from the recommendations, and reasons therefor, at least 30
25 days before designating the Ancient Forests.

1 (d) **PUBLIC INVOLVEMENT.**—After receiving the com-
2 mittee's report, but before implementing any of the report's
3 recommendations and before establishing the Ancient Forests
4 boundaries, the Ancient Forest Research Program, and the
5 New Forestry Program, the Secretaries shall provide an ade-
6 quate opportunity for public involvement, including public
7 hearings at appropriate locations.

8 (e) **CONTINUATION OF COMMITTEE.**—After the An-
9 cient Forests are designated and the New Forestry Program
10 and the Ancient Forest Research Program are implemented,
11 the committee shall continue to operate to advise the Secre-
12 taries on the progress of these programs and on any needed
13 modifications and to review any agency proposal for modifi-
14 cations.

15 **SEC. 10. INTERIM MANAGEMENT.**

16 (a) **NATIONAL FOREST TIMBER OFFER.**—To the
17 extent consistent with this Act and other applicable law, for
18 each of the fiscal years 1991 through 1993, the Secretary of
19 Agriculture shall offer at least 2,200,000,000 board feet per
20 year from national forest lands within the Douglas Fir
21 Region, consistent with the requirements of subsection (c).
22 To the extent consistent with this Act and other applicable
23 law, during this interim period, the timber sale program for
24 Region 6 of the Forest Service, which includes part of the
25 Douglas Fir Region, shall be at least 2,600,000,000 board

1 feet per year, consistent with the requirements of subsection
2 (c).

3 (b) **BLM TIMBER OFFER.**—To the extent consistent
4 with this Act and other applicable law, for each of the fiscal
5 years 1991 through 1993, the Secretary of the Interior shall
6 offer at least 450,000,000 board feet per year from lands
7 administered by the Bureau of Land Management within the
8 Douglas Fir Region, consistent with the requirements of sub-
9 section (c).

10 (c) **LIMITATIONS ON TIMBER SALES.**—During the in-
11 terim period between the date of enactment of this Act and
12 the designation of the Ancient Forests, no timber sale shall
13 occur in the following:

14 (1) The habitat conservation areas recommended
15 by the Interagency Scientific Committee, except that
16 the boundaries of such areas may be adjusted by the
17 respective Secretary during this interim period, if such
18 adjustments are in accordance with other applicable
19 law and the following requirements are met:

20 (A) The Interagency Scientific Committee
21 approves such adjustments as being consistent
22 with the intent of the guidelines in its report, and

23 (B) an equivalent amount of acreage with an
24 equivalent amount of old growth forest ecosystems

1 is added by the appropriate Secretary to the habi-
2 tat conservation area system.

3 (2) All old growth forest lands, as defined by the
4 Forest Service for its planning purposes, which are
5 closed to commercial timber harvest by land and re-
6 source management plans that are in effect during this
7 interim period.

8 (3) All old growth forest lands, as defined by the
9 Bureau of Land Management for its planning purposes,
10 which are closed to commercial timber harvest by dis-
11 trict plans that are in effect during this interim period.

12 (4) All areas closed to timber harvest by the
13 Bureau of Land Management's December 22, 1987
14 agreement with the Oregon Department of Fish and
15 Wildlife pertaining to the northern spotted owl.

16 (5) The following areas, as identified in maps pre-
17 pared by the Forest Service and dated July 1990:

18 (A) Siouxon Creek in the Gifford Pinchot
19 National Forest and consisting of approximately
20 1,400 acres.

21 (B) Bourbon Creek in the Gifford Pinchot
22 National Forest and consisting of approximately
23 1,700 acres.

1 (C) Areas with redwood trees in the Siskiyou
2 National Forest and consisting of approximately
3 300 acres.

4 (D) Elk River in the Siskiyou National
5 Forest and consisting of approximately 17,000
6 acres.

7 (E) North Kalmiopsis in the Siskiyou Nation-
8 al Forest and consisting of approximately 89,700
9 acres.

10 (F) Gene Creek in the Wenatchee National
11 Forest and consisting of approximate 1,000
12 acres.

13 (G) Opal Creek in the Willamette National
14 Forest and consisting of approximately 6,800
15 acres.

16 (d) CONSISTENCY WITH LAND AND RESOURCE MAN-
17 AGEMENT PLAN.—Timber sales offered pursuant to this sec-
18 tion by the Secretaries shall be consistent with land and re-
19 source management plans.

20 (e) PART OF PLANS.—The requirements of this section
21 shall be considered part of land and resource management
22 plans.

23 SEC. 11. ECONOMIC ASSISTANCE TO RURAL COMMUNITIES.

24 (a) PAYMENTS FOR COUNTIES.—Effective for the first
25 5 fiscal years beginning on or after the date of enactment of

1 this Act, the term "50 percent" shall be substituted for the
2 term "twenty-five per centum" for the purposes of amounts
3 paid under the Act of May 23, 1908, and section 13 of the
4 Act of March 1, 1911 (16 U.S.C. 500) with respect to na-
5 tional forests in the Douglas Fir Region.

6 (b) OREGON AND CALIFORNIA LANDS.—In addition to
7 the 50 percent share provided by subsection (a) of the first
8 section of title II of the Act of August 28, 1937 (43 U.S.C.
9 1181f), for the first 5 fiscal years beginning on or after the
10 date of enactment of this Act, the 25 percent amount of the
11 Oregon and California land grant fund described in subsection
12 (b) of such section shall be paid to the counties in the same
13 manner as provided in such subsection (a).

14 (c) FOREST PRODUCTIVITY INITIATIVE.—The Secre-
15 tary of Agriculture, through the Forest Service's State and
16 private forestry programs, shall establish a special initiative
17 to improve the productivity on State, county, and private
18 lands in those counties that include lands that are part of the
19 Douglas Fir Region. The Forest Service shall give hiring
20 preference to workers from local communities within such
21 region for the purposes of such initiative. This program will
22 include the following:

23 (1) Improved wood utilization through the training
24 of loggers, mill owners, and landowners on more effi-
25 cient harvesting methods.

1 (2) Improved efficiency of sawmills by providing
2 assistance in implementing the latest lumber production
3 and drying technologies.

4 (3) Improved efficiency for plywood plants and
5 veneer mills through technical assistance to help them
6 convert to the latest technologies.

7 (4) Timber stand improvement on nonindustrial
8 private forest lands.

9 (5) Tree planting on nonindustrial private forest
10 lands.

11 (d) NATIONAL COMMUNITY ASSISTANCE TASK
12 FORCE.—The Secretaries shall establish a national commu-
13 nity assistance task force to oversee assistance to rural com-
14 munities in those counties that include lands that are parts of
15 the Douglas Fir Region. Any rural community in the Doug-
16 las Fir Region that is impacted by declining Federal timber
17 sales can request assistance from the national task force. The
18 national task force shall provide the following types of assist-
19 ance:

20 (1) Establishment of local community task forces,
21 retraining programs for workers, technical assistance,
22 loans and grants to help communities diversify their
23 economies, and job counseling and job placement serv-
24 ices.

1 (2) The facilities, equipment, and personnel of the
2 agencies administered by the Secretaries may be used
3 to provide such assistance.

4 (e) **IMPROVEMENT OF CONDITION OF FEDERAL**
5 **FOREST LANDS.**—The Secretaries shall establish a program
6 to improve the condition of Federal forest lands in the Doug-
7 las Fir Region. The Secretaries shall give hiring preference
8 to workers from local communities within such region for the
9 purposes of such program. The program shall include—

10 (1) constructing recreational, tourism, and inter-
11 pretive facilities on such lands,

12 (2) improving commercial and recreational fisher-
13 ies,

14 (3) conducting natural resource inventories,

15 (4) reclaiming roads no longer needed for timber
16 sales,

17 (5) implementing the New Forestry Program,

18 (6) constructing and maintaining administrative fa-
19 cilities for the respective agencies,

20 (7) maintaining and constructing hiking trails,

21 (8) restoring and enhancing wildlife habitat,

22 (9) restoring and enhancing watershed and water
23 quality, and

24 (10) enhancing timber management programs.

1 **SEC. 12. BUREAU OF LAND MANAGEMENT OREGON AND CALI-**
2 **FORNIA LANDS.**

3 The Secretary of the Interior shall conduct a study on
4 consolidation of the Bureau of Land Management's Oregon
5 and California lands through exchange, purchase, or dona-
6 tion. Three years after the date of enactment of the Act, the
7 Secretary shall submit a report on the study's findings and
8 conclusions to the Committee on Interior and Insular Affairs
9 in the House of Representatives and the Committee on
10 Energy and Natural Resources in the Senate.

11 **SEC. 13. PLANNING.**

12 Where applicable, provisions of this Act shall be incor-
13 porated into Forest Service and Bureau of Land Management
14 planning activities pursuant to applicable law. Nothing in this
15 Act shall prevent the implementation of those portions of
16 plans pursuant to other applicable law that are unaffected by
17 provisions of this Act.

18 **SEC. 14. NATIONAL MANDATE.**

19 (a) Amendment of Federal Land Policy and Manage-
20 ment Act of 1976.—Section 202(c)(3) of the Federal Land
21 Policy and Management Act of 1976 (43 U.S.C. 1712(c)(3))
22 is amended by inserting “, including old growth forest eco-
23 systems” after “concern”.

24 (b) Other Amendments.—(1) The first section of the
25 Multiple-Use Sustained-Yield Act of 1960 (16 U.S.C. 528) is

1 amended by inserting "old growth forest ecosystems," after
2 "outdoor recreation,".

3 (2) Section 6(e)(1) of the Forest and Rangeland Renew-
4 able Resources Planning Act of 1974 (16 U.S.C. 1604) is
5 amended by inserting "old growth forest ecosystems," after
6 "outdoor recreation,".

7 (c) Nationwide Inventory.—The Secretary of Agricul-
8 ture and the Secretary of the Interior shall prepare a nation-
9 wide inventory of old growth forest ecosystems on national
10 forests and public lands administered by the Bureau of Land
11 Management. The inventory shall be completed and submit-
12 ted to Congress no later than 2 years after the date of enact-
13 ment of this Act for the Douglas Fir Region and no later
14 than 3 years after the date of enactment of this Act for the
15 rest of the Nation.



Mr. VOLKMER. At this time, I'll recognize the gentleman from Washington. But before I do, I'd like to announce that I have to leave for another meeting. It's very imperative that I be there. I will return. But in the meantime, I'm going to ask the gentleman from Virginia to take the chair.

I'll now recognize the gentleman from Washington for his statement.

Mr. MORRISON. Mr. Chairman, don't leave before we have the chance to say thank you. This is a problem that a number of us are involved in.

Mr. VOLKMER. I'll only be gone about 15 minutes.

Mr. MORRISON. Only 15 minutes? We'll still have the problem when you come back. [Laughter.]

Mr. OLIN [acting chairman]. Mr. Morrison.

OPENING STATEMENT OF HON. SID MORRISON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WASHINGTON

Mr. MORRISON. I just have a formal statement that I will submit for the record. I would like to mention that a number of the measures that we'll be receiving testimony on today have my enthusiastic support. It might appear to the outside observer that our answer to the combination spotted owl/old-growth issue is fragmented, but we have found that perhaps the best approach is for us to each advance our own ideas and see what finally gels as the administration comes together in their response to the immediate problem that we face of the conflict between preserving the ecosystems and preserving the economic base out in the northwestern corner of the United States.

Particularly, we thank Mr. AuCoin, who will be sending the statement up to us, is here; our colleague Bob Smith on this committee, Mr. Vento held hearings earlier this week; and Mr. DeFazio, who we join in wanting the Forest Service to come up with some alternatives for the Thomas Plan for protection of the spotted owls.

I look forward to the presentations by all and again thank the other members of the subcommittee for their interest and willingness to be here and to help us find an answer to a dilemma that has its major impact in the northwestern forests of the United States.

Mr. OLIN. Thank you, Mr. Morrison. Your prepared statement along with Mr. Herger's statement will be placed at this point in the record.

[The prepared statements of Mr. Morrison and Mr. Herger follow:]

PREPARED STATEMENT OF HON. SID MORRISON

Mr. Chairman, I want to commend you for holding this hearing today to consider a variety of bills which have been introduced to address the Old Growth Forest/Spotted Owl crisis in the Pacific Northwest. The number and scope of bills introduced on this subject is a clear indication of its magnitude.

I am pleased to welcome my colleagues from the Northwest who are here to testify on their legislation as well as the extensive list of witnesses we have before us.

I am a sponsor of H.R. 5094, the National Forest Plan Implementation Act because I believe it offers a better process to make forest planning actually work. I view this bill, Mr. Chairman, as a start. The bill was not designed to skew the im-

plementation toward any of the competing users of our limited forest resources. With the proper compromising, it will work equally well for all users of our National Forests. I look forward to hearing the views of our witnesses before us today on those compromises.

I am also a cosponsor of H.R. 5116, introduced by my good friend Rep. Peter DeFazio. This bill directs the consideration of the many options for the conservation of the Northern Spotted Owl. This approach is important if we intend to assure we are permitted to review all of the scientific data available on this issue.

As one final point, Mr. Chairman, I support the bills before us today of Rep. Unsoeld, and Rep. Bob Smith. All of them approach the issues with a sensitivity for the folks whose lives are caught up in this challenge and I applaud their efforts.

Thank you, Mr. Chairman.

**STATEMENT OF THE HONORABLE WALLY HERGER
SUBCOMMITTEE ON FORESTS, FAMILY FARMS AND ENERGY
JULY 26, 1990**

**THANK YOU, MR. CHAIRMAN. I COMMEND YOU FOR
SCHEDULING THIS HEARING. AS YOU KNOW, THE
ISSUES SURROUNDING THE MANAGEMENT OF OUR
NATIONAL FORESTS ARE EXTREMELY IMPORTANT TO THE
PEOPLE OF MY DISTRICT.**

**THIS HEARING TODAY IS AS MUCH ABOUT THE
FUTURE OF THE TIMBER COMMUNITIES IN NORTHERN
CALIFORNIA AND THE PACIFIC NORTHWEST AS IT IS
ABOUT THE SURVIVAL OF THE SPOTTED OWL AND THE
PRESERVATION OF OLD GROWTH FORESTS.**

THE CURRENTLY PROPOSED FEDERAL ACTIONS TO CONSERVE THE SPOTTED OWL AND ITS HABITAT WILL NOT ONLY RESULT IN THE LOSS OF THOUSANDS OF JOBS OVER THE NEXT FEW YEARS, BUT ALSO WILL GREATLY DIMINISH THE AMOUNT OF REVENUE RETURNED TO THE STATE AND LOCAL GOVERNMENTS FROM FEDERAL TIMBER RECEIPTS. THE TIMBER-BASED ECONOMY OF NORTHERN CALIFORNIA IS ALREADY ON THE BRINK OF ECONOMIC CATASTROPHE, AND THE DIRECTION THAT THE AGENCIES ARE MOVING IN NOW WILL SURELY PUT US OVER THE EDGE.

STUDIES CONDUCTED BY THE INDUSTRY AND THE CALIFORNIA DEPARTMENT OF FISH AND GAME HAVE GENERATED EVIDENCE THAT DIRECTLY CONTRADICTS THE

NOTION THAT OLD GROWTH HABITAT IS ESSENTIAL FOR PRESERVATION OF THE OWL. THIS EVIDENCE, GATHERED FROM STUDIES DONE BY WILDLIFE BIOLOGISTS AND PRAISED BY JACK WARD THOMAS, SHOWS CLEARLY THAT MANY MORE OWLS ARE SURVIVING AND REPRODUCING IN MANAGED, NON-OLD GROWTH FORESTS IN NORTHERN CALIFORNIA THAN EARLIER EVIDENCE INDICATED. THIS INFORMATION MUST NOT BE IGNORED BY CONGRESS, BECAUSE IT INDICATES THAT WE CAN MANAGE TO PROTECT THE SPOTTED OWL WITHOUT SHUTTING DOWN LOGGING IN THE NATIONAL FORESTS.

AS A CO-SPONSOR OF H.R. 5094, I BELIEVE THAT THIS LEGISLATION WOULD ENABLE US TO PROVIDE

FOR A MORE APPROPRIATE BALANCE BETWEEN
ENVIRONMENTAL AND ECONOMIC CONSIDERATIONS. THE
PEOPLE OF OUR TIMBER DEPENDENT COMMUNITIES
DESERVE GREATER CONSIDERATION THAN THEY HAVE
BEEN GETTING RECENTLY. I LOOK FORWARD TO THE
TESTIMONY OF OUR WITNESSES REGARDING THE
LEGISLATION THAT IS BEFORE US TODAY.

THANK YOU, MR. CHAIRMAN.

Mr. OLIN. The gentleman from Indiana.

**OPENING STATEMENT OF HON. JIM JONTZ, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF INDIANA**

Mr. JONTZ. I thank the chairman and my colleagues on the subcommittee and want to express my thanks to the chairman for scheduling this hearing on several bills, including H.R. 4492, the Ancient Forest Protection Act of 1990, which I have introduced and now has, I believe, 119 cosponsors among Members in the House.

I want to take a couple of minutes this morning to discuss some of the aspects of the problem that my legislation, as well as the legislation by Mr. Vento, H.R. 5295, addresses. But I do want to note that at least one of the other pieces of legislation that's before us this morning, H.R. 5094, the legislation that Mr. AuCoin and others have sponsored, this bill would affect all of the national forests in our country.

As I read it, it would bring about very widespread changes in the National Forest Management Act which would radically alter the direction of the act. It would seriously diminish, in my view, the idea of balanced multiple use of our public lands. At a time when the public is more conscious of environmental values and the importance that our public lands fill in meeting needs for noncommodity uses, when the public and the scientific community express increased interest in our public lands and the role that they play, biological diversity and environmental stabilization, this bill would direct the Forest Service to, in essence, manage our forests for commodity values above all others.

I hope that the response of the Congress to the conflicts which we see, not just in the Northwest, but across the country, will not be to go down this path. I don't know to what extent the hearing today will give us the opportunity to explore what the implications of this legislation are, but they are very serious. Every citizen of our country who's concerned about the national forests ought to know about this bill and how it would change the basic precepts of management of the forests and ought to understand what a monumental change that would be.

Mr. MORRISON. Would the gentleman yield?

Mr. JONTZ. Yes, I would.

Mr. MORRISON. I guess I'm a little concerned by the statement of the gentleman. I'm concerned only because I think anyone on this subcommittee recognizes that our forest planning process needs some sort of revisiting because if in fact it had worked, we wouldn't have the spotted owl issue in front of us. I think it's the efforts of some of us that have sponsored this to in fact try to have the plan revolve around the dynamic base of public involvement initially. The changes that are made are in the amendment process and how you change the plan after it's adopted. Maybe that's what the gentleman's referring to, with due respect to the number of players, once you get the plan in place.

Mr. JONTZ. To reclaim my time, it seems to me in reading the legislation once over lightly that it alters significantly the balance that the existing planning process seeks to bring about. I guess

that's part of the reason for the hearing at this point, to discuss that.

I would disagree with the gentleman, actually—and this brings me to the other subject that I want to address—I don't think it's the planning process that has brought us to a crisis situation in the Northwest. In fact, I think the planning process has been thwarted by these other factors, one of which is the tendency of the Congress to adopt various Band-Aid approaches—I think section 318 of the appropriations bill last year is the most recent example—rather than taking a long term comprehensive perspective on the problem.

The introduction of my bill and Mr. Vento's bill both recognize the need for long-term legislation which addresses the specific problems in the Northwest, and the sort of Band-Aids that the Congress has passed before—the sort of short term fixes—have not improved the situation, but rather have contributed toward the crisis that we have.

The second factor I believe that has led to the problems in the Pacific Northwest at the present time is the extent to which the land-management agencies have ignored science and have ignored the advice of their own scientific advisors. Again, Mr. Vento's bill and mine both make a scientific study of the functioning of forests as viable ecological systems and what is necessary to sustain them in the Pacific Northwest, the centerpiece of the decisionmaking process.

We do that in different ways. One of my concerns about our colleague's bill, Mr. Vento, is that it seems to me that he reaches the conclusion in the legislation that 6.3 million acres are the adequate amount of forests to be protected and then asks the scientists to study the issue, where I believe that the better course is to ask the scientists to do the study and reach a conclusion about what acres ought to be protected and how—where they should be protected after the study.

I understand some of the thinking of the gentleman from Minnesota as to why he has taken the approach that he has. Although we disagree on that point, there is certainly some agreement that science has a much bigger role to play in providing information to allow us to make wise decisions in what we have seen so far.

The third factor I recite as leading to the problems we now face in the Pacific Northwest is the continuing insistence by the Congress that we overharvest the resource. The assumptions that the decisions of the Congress have made have been based on, I think, are faulty in many ways. The consequence has been that now we see the owl is threatened and we see that the economy is in a state of some uncertainty because we have extracted too much from the resource of the Pacific Northwest too long.

Had the ASQ's and the current forest plans been implemented when they should have been several years ago, we would not have the crisis upon us. If those forest plans included proper assumptions, we would see lower ASQ's yet.

Both Mr. Vento's bill and my own, although they approach the matter differently, I think recognize that to sustain the timber harvest on a long-term basis in the Pacific Northwest and to protect environmental values, we require a significantly lower harvest

level. I disagree with the approach that Mr. Vento has taken by putting hard targets for timber production in the period of interim protection. I think hard targets have gotten us into a lot of trouble, in section 318, the Tongass, and other places. I would hope that we would have learned from those experiences.

But nonetheless, I think that any legislation we ask to address the question must recognize that biological caring capacity of the public lands in the Northwest which are in question, is less than what we have believed.

I think it's a very helpful opportunity for us today to list the testimonies about all the bills and the witnesses will give us a lot to think about. My hope is that under the direction of the chairman of this subcommittee and perhaps the chairman of the Public Lands Subcommittee, Mr. Vento, and the chairman of the full committees, Mr. de la Garza and Mr. Udall, that some discussion and negotiation among all the interested parties can begin perhaps as soon as next week. That would allow us to find a middle ground to put together a compromise that balances national and regional interests, balances environmental and economic interests, and responds to the problem with the long-term perspective.

This hearing is a very important step toward that end. I appreciate the patience of the chairman in allowing me to make these due comments about the legislation.

Mr. OLIN. I was getting a little bit nervous, but I appreciate the gentleman's comments.

Mr. JONTZ. This is a lengthy piece of legislation, and we could take a lot of time to discuss details—which I won't at this time. I thought it would be more helpful to discuss some of the general ideas. I appreciate the willingness of the chairman to allow me to offer those comments.

Mr. OLIN. We thank the gentleman for his comments. I'm sure the gentleman realizes that we will have plenty of opportunity to debate the issues. We are here today to hear from the witnesses.

We've been joined by the chairman of the full committee, the gentleman from Texas, Mr. de la Garza. Does he wish to make comments at this time?

OPENING STATEMENT OF HON. E (KIKI) de la GARZA, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

The CHAIRMAN. Very briefly, Mr. Chairman, only to say that I hope that in the continued process that we will be calling hearings on this committee.

I will not take any more time except to thank the witnesses that are here. Hopefully, from all of the expertise and concern throughout the area and throughout the United States we will be able to arrive at some viable, workable legislation. I think, Mr. Chairman, that this is a start—we've been working and we will continue to work in this endeavor.

I welcome all the witnesses and appreciate their being here.

Mr. OLIN. Thank you, Mr. Chairman.

Mr. Smith.

**OPENING STATEMENT OF HON. ROBERT F. (BOB) SMITH, A
REPRESENTATIVE IN CONGRESS FROM THE STATE OF OREGON**

Mr. SMITH. I'm delighted that the chairman of the full committee would be here even if for a short time and have a grasp of this important issue. It is kind of interesting that there are no trees in southern Texas and probably hasn't any supporting agricultural products.

The CHAIRMAN. Will the gentleman yield?

Mr. SMITH. I'd be delighted.

The CHAIRMAN. The tallest tree in my hometown is the First State Bank building. [Laughter.]

Mr. SMITH. So, the chairman could be a person to step back and be objective without prejudice. [Laughter.]

Thank you, Mr. Chairman.

A long time ago this Government made a promise to the people of the Pacific Northwest. This Government urged people from the East to go westward, to develop industries, to build towns, to educate children, and to expand the frontiers of this great Republic. And in return the Federal Government pledged that the Northwest's abundant resources would be managed on a multiple-use basis and in perpetuity.

Well, the people of the Pacific Northwest took the Government at its word. Today, in Oregon, there are some 71 small towns who are totally or wholly dependent on timber for survival.

But over the last few decades, the Federal Government has slowly reneged on the deal that they made to the people in the Northwest. This Government of ours has nibbled away at the resource base in the Northwest until there are only about 47 percent of the Federal forest lands in the Pacific Northwest left for multiple-use management. The remaining 53 percent are set aside in wilderness areas, national parks, and other special-use designations which forever put them off-limits to resource production.

New forest plans would reduce this base even further, before any expansion of set-asides to benefit the owl, and now we're considering two bills—one authored by Mr. Vento and one by Mr. Jontz—which would drastically reduce our resource base even further than that. We are already operating on less than one-half of the forests, and these bills would have us operate on one-half of that. It's no reason that we continue to ask, "Where in the world is this ever going to end?"

I'm sure this hearing, like most, will be filled with all kinds of distortions, misrepresentations, and utterly false assumptions. Even some members of our committee might participate in that. I have in the past. But the wilderness society, for instance, says that there is about 2.3 million acres of old-growth forest left in the Pacific Northwest, with 1.4 million acres of it already protected. Well, I think that's patently false. The real number is much higher. Already there are 3.2 million acres of old-growth protected in the Pacific Northwest. And by the way, if you wait two and one-half decades, they'll be more old-growth protected because there is much more than that already designated in wilderness.

But strangely, those are not the numbers in the Vento and Jontz bills. The Vento bill would lock us into 6.2 million acres, the Jontz

bill even more, though nobody really knows how much more, because we can't tell what the set-asides are and how they're going to be quantified.

So I'd support making a deal today. I'll support a bill that provides an additional set-aside of roughly 1 million unprotected acres. And I hope everybody would agree with that since I'm using those environmental numbers that they proposed that are left in old growth. I offer 1 million acres and you give us the rest of the forest to manage. That will protect the owl, obviously, since owls of course can't live in any other areas except old growth.

I think that it's possible, if the Vento bill sets aside 6.2 million acres, then wouldn't that indicate to some that the spotted owls might have to live in second-growth forests? Well, we know that they do. We've proven it in northern California and we ought to recognize that.

For those who really have no stake personally in this legislation that we're considering, the welfare of communities has to be important even to them, and it's surely important to me and the people in the State of Washington, northern California, and the impacted areas.

I introduced a bill that will be heard today. It's called the Community Stability Act. It would return human considerations to the formula before we decide how America manages its public lands. We already manage for owls, for wilderness, for recreation, for scenic vistas, but somewhere along the line, we've left out our communities and the human resource.

I submit that the welfare of people and the strength and vitality of their communities is as noble, admirable, and necessary a management consideration as any other. That's the point of my bill, Mr. Chairman, and I hope the subcommittee will consider it carefully.

I'm also a cosponsor of H.R. 5094, the National Forest Plan Implementation Act of 1990, along with my colleagues Mr. AuCoin and Mr. Morrison of Washington. Like the Community Stability Act, this bill puts people into the equation, and also reforms the appeals process, which is most important.

Mr. Chairman, the people of the Pacific Northwest are real people, like they are in Indiana and like they are in Virginia. They have real lives, real mortgages, real car loans, and real dreams, and have children, and they want to live a life compatible with nature, and we think we're doing that.

So I hope the subcommittee will view all of these bills in human terms as well as in the protection of what we know is a natural resource which needs to be protected, but also the protection of endangered species.

Thank you, Mr. Chairman.

[The prepared statement of Mr. Smith follows:]

CONGRESSMAN BOB SMITH (R-OR)

Opening Statement

Hearing on Old-Growth Timber
Agriculture Subcommittee on Forests, Family Farms, and Energy
1302 Longworth HOB
July 26, 1990

Thank you, Mr. Chairman. I appreciate the time you have dedicated to hearing these bills and for your continued interest in the well-being of the Pacific Northwest.

Mr. Chairman, a long time ago this government made a promise to the people of the Pacific Northwest. This government urged people from the east to go westward, to develop industries, to build towns, to educate children, and to expand the frontiers of this republic.

And in return the federal government pledged that the Northwest's abundant resources would be managed on a multiple-use basis in perpetuity.

Well, the people of the Pacific Northwest took this government at its word. Today, there are 71 small towns in Oregon that are wholly dependent on timber for their survival.

But over the last several decades, the federal government has slowly reneged on its end of the deal. This government has nibbled away at our resource base to where, today, only 47% of the federal forest lands in the Pacific Northwest are managed on a multiple-use basis. The remaining 53% of our forests are set aside in wilderness, national parks, and other special use designations which are forever off-limits to timber and other resource production.

New forest plans would reduce this base even further, before any expansion of set-asides to benefit the northern spotted owl is implemented.

And now, we are considering two bills -- one authored by Mr. Vento of Minnesota and one by Mr. Jontz of Indiana -- which would drastically reduce our resource base even further. We are already operating on less than one-half of the forests, and these bills would have us operate on one-half of that. Where will it end?

This hearing today will be filled with all kinds of distortions and misrepresentations, and utterly false assumptions. The Wilderness Society says there is about 2.3 million acres of old-growth forest left in the Northwest, with 1.4 million acres of it already protected. That's patently false; the real number is much higher. Already, 3.2 million acres of old-growth is protected.

But strangely, those are not the numbers in the Vento and Jontz bills. The Vento bill would lock up 6.2 million acres, the Jontz bill even more, though nobody really knows how much more because Mr. Jontz' bill is so irrational that the set-asides can't be quantified.

So I'll make you a deal. I'll support a bill that provides for an additional set-aside of the roughly 1 million unprotected acres. And I hope all the environmental organizations here will support my bill, since I'm using their numbers.

To the environmentalists and their patrons, I say if you want to lock up more than that, than I challenge you to tell me just what it is you are locking up in addition to the 2.3 million acres of old-growth The Wilderness Society recognizes. If there's only 2.3 million acres of old-growth remaining, why on earth are you trying to lock up 6.2 million acres?

Could it be that the spotted owl lives in some second-growth forests? Could it be that the preservationist agenda is bolder than just protecting old-growth ecosystems? Could it be that the knee-jerk reaction is to lock up as much of our resource base as possible -- as the Jontz bill would do -- and to hell with the consequences?

If you want to lock up more than 2.3 million acres, then stop trying to foist this fictional notion of 2.3 million acres of old-growth left. It's not fair to this subcommittee, and it's not fair to Oregon's timber communities.

For those who have no real stake in the legislation we are considering today, the welfare of these communities is probably not very important. But it is important to Oregonians, and it's important to me.

I introduced one of the bills we are considering here today. H.R. 4909, the Community Stability Act, would return human considerations to the formula in determining how America manages its public lands. We already manage for owls, for wilderness, for recreation, and for scenic vistas. But somehow along the way, the impact on our communities seems to have fallen from the radar screen.

I submit that the welfare of people and the strength and vitality of their communities is as noble, admirable, and necessary a management consideration as any other. That's the point of my bill, and I hope the subcommittee will consider it carefully.

I am also a cosponsor of H.R. 5094, the National Forest Plan Implementation Act of 1990, along with my colleagues from the Northwest, Mr. AuCoin of Oregon and Mr. Morrison of Washington. Like the Community Stability Act, this bill puts people into the equation, and it also reforms the appeals process, which naysayers have used as an obstruction to implementing properly conceived forest plans.

Mr. Chairman, the people of the Pacific Northwest are real people. They have real lives, real mortgages, real car loans, and real dreams about educating their children and living their lives in what is to me the best place in the world.

So I hope the subcommittee will view these bills in human terms. And please, spare us the lectures about sacrificing our jobs and communities. You should try walking a mile in our shoes.

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Mr. OLIN. I thank the gentleman for his comments.

We would like to now move to the first witness who is our good colleague, the gentlewoman from Washington, Mrs. Unsoeld.

STATEMENT OF HON. JOLENE UNSOELD, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WASHINGTON

Mrs. UNSOELD. Thank you very much, Mr. Chairman. I'd like to thank the committee chairman for his continuing interest in the wide array of proposals on the management of our national forests. I'm very pleased that the standing committees are taking more of an active role in developing the necessary long-term plans.

I share a belief with the chairman that in order to resolve these complex issues we must have many alternatives on the table. That was one of my reasons for the introduction of H.R. 3206, the Timber Supply Stability Act. I think Mr. Smith and I were both trying to find some stability in this maze.

I introduced H.R. 3206 nearly 1 year ago. As I'm sure you will see graphically demonstrated today in the testimony of representatives of the timber industry, the Federal timber base has shrunk dramatically in recent decades. The private commodity land base has shrunk too and I have another bill that provides tax incentives, H.R. 5087, to encourage private woodlot owners to keep growing timber. But we need to stem that flow of land being taken out of the timber commodity base if we hope to stabilize timber dependent communities. My bill is an attempt to do that. I wanted to bring stability to timber supply and I wanted to find a revenue stream that would help pay for that stability.

I plan to reintroduce H.R. 3206 after making some modifications. So right now the bill is like a body without a soul and I've been ignoring it. The changes I want to make would allow more flexibility both in raising money and spending it, but I'll get into that later.

By purchasing cut-over, mismanaged, adjacent, or other private lands from willing sellers, we can begin to beef up our national forests' commodity land base. The land purchased would be dedicated primarily to timber production. Other lands could then be used to provide habitat for old-growth dependent species without bringing economic and social chaos to timber communities.

I wanted a revenue source that was logically related to timber use. Taking money out of the general Federal revenues didn't make much sense in light of our budget deficits. We simply cannot afford to purchase land. Taxing the export of raw logs—which ships jobs overseas—seemed logical, but had some constitutional problems. Congressional Research Service helped me and one of their attorneys showed me article 1, section 10, clause 2 of the Constitution. This clause allows Congress to grant to States the authority to impose a tax on exports if the receipts are returned to the Federal Treasury.

Now, what State in its sane mind is going to pass a tax that goes to the Federal Treasury? So I had to find a way to give them an incentive. My notion was to split that revenue between the Federal Government and the State so that the State would have reason to impose the tax.

Inadvertently, the bill called for a flat 25-percent tax rather than what should have read "up to 25 percent." My next draft would allow States to decide the amount.

Private log exporters are being seen by many as recipients of windfall profits as raw log exports are further restricted from public lands. Thus, a small tax might serve several purposes. First, it might diffuse the movement toward a total ban on the export of private logs. Second, it would help equalize log prices, enabling domestic processors to compete more effectively for logs. And finally, it would provide a revenue source for the purchase of a timber land base and for other timber-related projects.

Here is my second modification. Due to the restrictions on State log exports which will soon be enacted by Congress, there may be shortfalls in timber receipts used to finance schools and money will be needed. In addition, smaller harvests from national forests will hurt county revenues, so these new revenues might be used to assist local government.

The concepts contained in H.R. 3206 are novel and thus need more discussion among interested parties, but I introduced the bill in order to stimulate just that. I'm not wedded to this particular piece of legislation. I am wedded to workable, creative, balanced solutions to this enormous problem.

I want to register my support for concepts contained in all of the other bills. I am a cosponsor of Representative DeFazio's H.R. 5116, which allows interest groups and the agencies to develop alternatives to the Thomas report recommendations for spotted owl protection. We desperately need scientifically and legally valid alternatives to the Thomas plan. I believe the most interested members of the public and private sectors need to be given an opportunity to help find solutions not only for how we deal with the owl, but how we deal with the total forest ecosystem. My hope is that we are not having an owl plan this year, and next year a marten or a fisher plan, and then a salamander plan, and then possibly a toad plan.

We also need a more stable national forest timber base, as the AuCoin-Morrison bill supplies. The AuCoin-Morrison bill establishes a good framework for needed revisions to the forest planning process, including expedited review for forest plans.

The Vento bill also contains some good ideas. I believe it is important to manage for ecosystems rather than for each individual plant and animal species, as I have already mentioned. In addition, I'm a strong advocate of new forestry, but I would favor its application in some areas established for spotted owls to demonstrate that it can provide habitat and harvest. Federal investment in better forest management is another strength of the bill.

Thank you, Mr. Chairman, for your interest in this matter of vital importance to the people of the Northwest.

Mr. OLIN. We thank the gentlewoman for her testimony.

I'd like to recognize now our other colleague, Peter DeFazio, from Oregon.

Peter, you probably know that we have a live recorded forum call up in about another 12 minutes, so why don't you go ahead and see if you can get your testimony out of the way.

**STATEMENT OF HON. PETER A. DeFAZIO, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF OREGON**

Mr. DeFAZIO. Thank you, Mr. Chairman. I'll be brief. I'll summarize my testimony and we expect that the full testimony will be made a part of the record.

Briefly, Mr. Chairman, there are a number of approaches on the table. I'm glad that the Congress has become actively involved in this issue, but I would like to suggest that we need more active participation in finding the solution to this problem from the administration. For that reason, I've introduced H.R. 5116.

At this point, the Forest Service has told us that they intend to accept wholesale the ISC recommendation for protecting the spotted owl without question. I think that there are other options that should be explored.

My bill would identify three specific options that the agencies should try. First, I believe that the HCA's can be configured in such a way that the impacts are minimized on public timber dependent communities. I would request that either in any legislation that this committee might consider, or hopefully the administration following up on my proposal, they would look at such reconfiguration.

Second, I believe as does Mrs. Unsoeld and others who have spent considerable time on this issue, that there is great promise in alternate forestry techniques as a key part of the conservation strategy that would lessen, in certain areas, the impact of the strictures to protect the owl, would protect the owl, but also get more economic value in those areas.

The third part of my bill is that if and when the timber sales are reduced by the administration that the reduction be looked at on a graduated basis, thereby avoiding an immediate timber shock.

Finally, and I think this would be very useful to the committee and to the administration, my bill invites other interested parties, including both the timber industry and environmental groups to prepare alternatives of their own for presentation to Fish and Wildlife. The key throughout my entire bill is that it does not challenge the Endangered Species Act or the authority of Fish and Wildlife. The alternatives developed by the administration or other interested parties, would be submitted to Fish and Wildlife for full consultation under the Endangered Species Act listing.

I think it's a reasonable approach to make certain that no options have been overlooked. I hear time and time again in discussing this with the knowledgeable forest ecologists and foresters on ranger districts, in my district, and throughout the Northwest that there are some alternatives out there that the HCA strategy of the Thomas plan should not be the final word either in terms of protecting the owl or looking at things we can do to mitigate the environmental impacts or the economic impacts.

With that, Mr. Chairman, I thank the committee for its indulgence and look forward to your further deliberations.

[The prepared statement of Mr. DeFazio appears at the conclusion of the hearing.]

Mr. OLIN. We thank the gentleman for his comments. We can assure both of our colleagues that this committee is going to devote

very close attention to this subject and stay with it until we find some reasonable, balanced solution.

Does anybody wish to say anything on the committee?

Mr. MORRISON. Mr. Chairman, I would comment as we go out the door only that these two members that have taken time to testify this morning, are members of a special team that we have put together and have spent untold hours—

Mr. OLIN. Unsoeld hours? [Laughter.]

Mr. MORRISON. Unsoeld hours—uncompensated hours—at least at this point—attempting to find answers. I know they join me in the appreciation for the interest of this subcommittee in the subject matter that impacts us directly.

Mr. OLIN. We thank them for testifying.

The subcommittee will be in recess until the quorum call and any subsequent votes are finished.

[Recess taken.]

Mr. OLIN. We'd like to ask the first panel to come to the desk if they would, please: Mr. Dan Tomascheski, vice president, land management, Sierra Pacific Industries, Arcata, California; Ms. Judy Erickson, director, Lake States Forestry Alliance, Minneapolis, Minnesota; Mr. James Riley, executive vice president, Inter-mountain Forest Industry Association, Coeur d'Alene, Idaho; Ms. Jill Mackie, government affairs representative, Pacific Lumber and Shipping Co., Seattle, Washington; and Mr. Digges Morgan, vice president, Southern Forest Products Association, New Orleans, Louisiana.

I'd like to welcome all of the witnesses. We're looking forward to your testimony. Your written testimony will be made a part of the record, and I hope that each of you will find it possible to summarize your remarks in a reasonable length of time—5 minutes or so—so that we can complete the hearing this morning.

We'll go by the order listed on the sheet here. First will be Mr. Tomascheski.

STATEMENT OF DAN TOMASCHESKI, VICE PRESIDENT, RESOURCES, SIERRA PACIFIC INDUSTRIES, ACCOMPANIED BY CON SCHALLAU

Mr. TOMASCHESKI. Good morning. First I would like to congratulate you on the pronunciation of my name. That in itself is a feat. You did considerably better than most do. [Laughter.]

Mr. OLIN. I had a little trouble with that, but I'm glad that it came out right.

Mr. TOMASCHESKI. I have, first of all, two submissions for the record, our analysis of H.R. 5295, Congressman Vento's bill, and also H.R. 4492, Congressman Jontz' bill, that we will be submitting for the record today. I also have a complete copy of the Beuter study that details economic and social impacts of some of the proposed legislation in the Pacific Northwest. I also have with me Con Schallau, who participated in that report that Dr. Beuter did. He could probably answer better specific questions if they come up.

Mr. OLIN. Are you submitting that large packet?

Mr. TOMASCHESKI. Yes, I am.

Mr. OLIN. The committee will receive that. We can't guarantee that it will all be a part of the record.

Mr. TOMASCHESKI. I understand that.

Mr. OLIN. But we will receive it for the committee files.

Go ahead.

Mr. TOMASCHESKI. Thank you.

I am vice president for resources for Sierra Pacific Industries headquartered in Redding, California. We are a family owned business that manages our own timberlands in California, much of it in the Mount Shasta area. But we do depend on timber from eight National Forests to supply much of our raw material needs. Our mills purchase timber from the Six Rivers, Klamath, Shasta-Trinity, Mendocino, Modoc, Lassen, Plumas, Tahoe, and Inyo National Forests, quite an extensive list. All but one of these forests are named in Congressman Jontz' Ancient Forest Protection Act. Seven of our mills are in rural communities that are dependent upon national forest outputs.

Sierra Pacific has actively participated in the development of the national forest plans in California for many years, and we have reluctantly concluded that the planning cannot work as currently structured. Forest plans in the West cannot be implemented, and the direction laid out in the National Forest Management Act cannot be followed without further direction from Congress.

H.R. 5094, the National Forest Plan Implementation Act, provides a good start toward resolving some of the most difficult problems, but more is needed. The bill does offer some essential provisions to ensure that once plans are completed, the goals, objectives, and outputs of each forest plan have a chance of being achieved.

On the other hand, the Ancient Forest Protection Act—H.R. 4492—and the Ancient Forest Act—H.R. 5295—propose to circumvent the forest planning process entirely and prescribes what we believe to be negligent nonmanagement practices which would damage the very forests the bill is designed to protect.

As you are aware, California is currently in the middle of the fourth consecutive year of drought. Vast areas of our Sierra forests have already been killed by indigenous pests and more damage is expected through the summer and fall. As trees continue to die, the fire hazard increases dramatically. This is a grave concern to land managers and the public, given California's fire ecology and history of recurrent catastrophic wildfires.

As an example, in the Lake Tahoe Basin, the bark beetle infestations are so severe today that one-third of the trees in many parts of this basin will be dead by summer's end. There is a very serious potential for fire and wind throw damage, and the health of the remaining trees continues to be threatened by infestation. A wildfire in this area would be devastating and is highly probable with the high density of recreational use in the basin. It would be an immense tragedy given the uniqueness of this natural wonder.

H.R. 4492 and H.R. 5295 explicitly prohibit any activities—either prevention or control measures—on lands designated—or prior to designation, those lands which qualify for designation—as "ancient forests" to prevent excessive damage by native insects, plants, or diseases. This act further orders the Secretaries of Agriculture and Interior not to undertake any fire suppression activity within a

unit of the system except where necessary to protect human life or property within any such unit or immediately adjacent to it. If agency management policies for the wilderness system are any indication, loss of property will not mean loss of trees. I'm afraid we are only inviting another catastrophe on the scale of the Yellowstone fires, and we will lose both our ancient forests and our younger forests as well. Much of California's forest lands will be at risk.

The issue—how to manage the national forests of the West—is still best addressed through the forest planning process, with its deficiencies corrected by legislation such as H.R. 5094, but not through prescriptive legislation. This will simply make an already paralyzed situation worse.

For the 18 national forests in region 5, 10 forest plans have been finalized. All are under substantive appeal. In addition, three forests are currently revising their draft plans to address the spotted owl listing decision, and two forests are revising draft plans because of extensive damage done by wildfires. Only two more forests have any hope of completing their final plans this year in the current process.

Although the Forest Service is required to implement its final plans unless they are stayed or enjoined, I am not optimistic that the plans can be fully implemented without some essential amendments to the National Forest Management Act. Changes are needed to resolve the following problems.

Plan-implementing project decisions are frequently appealed, effectively precluding implementation of a forest plan. In many cases the project appeals challenge the very same issues raised in the plan appeals.

Day in and day out in the national forests in California we currently have plan implementation based on expediency and whether or not, in the perception of the Forest Service, an individual project has any chance of standing up to environmental appeals and litigation.

The Forest Service continues to adopt significant policy changes with complete disregard to the planning process at the national and regional level. For example, last year our regional forester, Paul Barker, adopted an environmental agenda which would substantially change silvicultural practices and therefore harvest levels on the national forests. This was done without determining whether the program could be implemented under current forest plans in place, without analyzing the environmental effects of the policy, or without determining the impacts of the policy on the achievement of other planned goals.

This action ignores and undermines the entire planning process in which the agency and the public have invested so much time and money, and arguably it is in violation of the law. This reminds me of policymaking by press release.

Nationwide, the Forest Service has spent 14 years and hundreds of millions of dollars to develop the first round of land and resource management plans. To date, region 5 has completed only one-half of its plans. All of the time and effort expended to date has resulted only in the need to do further analysis with no end in sight.

The national forest plans have already reduced—and will further reduce—the Federal land base available for timber production in California. New land allocations and changing priorities in management direction will cause sharp reductions in the allowable sale quantity for our region. Additional requirements for endangered and sensitive species which have not yet been fully analyzed in the plans will require further reductions.

But the process does not provide any means to mitigate the impacts of such decisions on dependent communities, or provide an orderly mechanism for implementation of the changes in direction as they occur, nor does it require—and this is a key point, we feel—reanalyzing land allocations or management prescriptions to attempt to mitigate the effects of these additional requirements. We can't continue to be victims of this subtractive overlay of one thing after another without analyzing the resource capabilities as a whole and determining whether or not there is significant overlap in the prescriptions that would afford some of the mitigation called for in the new requirements.

We need a well-defined process by which the Forest Service could incorporate changes in law into forest plans. Section 103 of H.R. 5094 would ensure that management changes, including protection measures for the owl, would be addressed in a plan amendment or revision, and that the environmental analysis for the amendment or revision consider other changes in land use or management prescriptions in order to meet as closely as possible plan goals and outputs.

Project appeals effectively—but we feel inappropriately—prevent implementation of forest plan decision. Section 201 and title III of H.R. 5095 are necessary to ensure an orderly and cost-effective process for the handling of appeals and litigation. Currently, the appeal and litigation process is so lengthy that it may be years before a final decision is made and approved. In the case of the decision to salvage timber, by the time the appeals are resolved, the timber has simply rotted away. And then when the appeal is ultimately upheld under appeal, the decision is moot and cannot be implemented.

The current forest planning process inadequately addresses the effects of planning decisions on dependent communities. Section 101 of H.R. 5094 would require the Forest Service to examine the impacts of forest plan alternatives on dependent communities and to consider the impacts in the selection of a preferred alternative.

I might say that having been born and raised in one of those communities and living in one now, some of these phrases that we hear about retraining workers who have lived there all their lives, the kind of glossing over we see in some of the other bills of that substantive problem—I don't see a solution yet proposed that can mitigate the economic impacts in those communities.

Thank you for your time.

[The prepared statement of Mr. Tomascheski appears at the conclusion of the hearing.]

Mr. OLIN. Thank you.

We now have Ms. Judy Erickson.

**STATEMENT OF JUDY ERICKSON, ALLIANCE COORDINATOR,
LAKE STATES FORESTRY ALLIANCE**

Ms. ERICKSON. Good morning, Mr. Chairman. I am Judy Erickson and I serve as the alliance coordinator for the Lake States Forestry Alliance. I appreciate the opportunity to be here this morning.

The alliance is a three-State organization established by the Governors of Michigan, Minnesota, and Wisconsin in 1987 to bring together people with differing values relating to the management of the region's forests. Our programs, activities, and membership are designed to bring together all forest interests—industry, Federal, State, and local Government agencies, private landowners, and conservationists—to ensure that forest resources will be available for present and future generations.

The forests in the Lake States are young and are still recovering from the heavy cutting and the fires which occurred during the late 1800's and the early 1900's. Yet today, our forests are valued and used for many purposes, including recreation, fish and wildlife management, watershed protection, and the production of solid wood, pulp, and paper products. The national forest plans developed under the National Forest Management Act of 1976 are required to address all of these resource uses in an integrated manner. In the Lake States, the forest plans for our seven national forest planning units were completed in 1986. All were appealed. In 1988, over one-half of the 39 forest plan appeals were still pending. Today, in the fifth year of the 10-year planning period, all but one of the original appeals has been resolved. Yet the Forest Service is still having a great deal of difficulty implementing its plans.

The Lake States Forestry Alliance has consistently called for Congress and the Forest Service to fully fund and implement our national forest plans. These plans are the result of many years of work by the Forest Service, other Government agencies—including our State departments of natural resources—and the public. The final result represents “a covenant with the public to produce a set of goals and outputs from the national forests”, as Assistant Secretary of Agriculture George Dunlop stated in 1988.

Section 306 of H.R. 5094 would add to NFMA a requirement that annual budget requests to Congress shall include a statement identifying the amount of funding necessary to implement 100 percent of the annual outputs called for in each plan. This is a much needed amendment. While funding for Forest Service recreation and wildlife management programs has increased greatly since the forest plans took effect, many programs continue to be incompletely funded, precluding full accomplishment of forest plan goals. Currently, the shortfall is difficult to determine, especially on a forest by forest basis. By identifying the full funding needed for each forest, the agency and Congress will know more clearly when opportunities may be foregone under a specific budget level.

While this provision is most helpful, the subcommittee should consider taking two additional steps to better address the issue of funding. Because many national forests do not receive the full amount of funding they require each year, the Forest Service should be required to identify, in the forest plans, how funds will be allocated under funding shortfalls. This would ensure that Con-

gress and the public would know what opportunities will have to be eliminated.

In addition, funding for forest inventory and research has been continually underfunded in the Lake States, yet resource analysis research provides important information needed to make informed decisions. It would be most helpful if the Forest Service were required to identify the level of research funding needed to support the forest planning process for each forest or for the region.

Section 106 of H.R. 5094 would also provide greater assurance that plans could be implemented. This section adds to NFMA a requirement that the Secretary of Agriculture certify in writing that each decision for implementing an action does not preclude achieving plan outputs. In other words, the action taken is wholly consistent with the decision made in the plan.

In conclusion, Mr. Chairman, the Lake States Forestry Alliance finds that H.R. 5094 would provide needed improvements to the National Forest Management Act to better ensure that forest plans may be implemented.

Thank you.

[The prepared statement of Ms. Erickson appears at the conclusion of the hearing.]

Mr. VOLKMER [resuming chair]. Thank you very much, Judy.

Mr. Riley, welcome to the committee again.

**STATEMENT OF JAMES S. RILEY, EXECUTIVE VICE PRESIDENT,
INTERMOUNTAIN FOREST INDUSTRY ASSOCIATION**

Mr. RILEY. Thank you, Mr. Chairman.

I am Jim Riley. In the past I've been a frequent witness before this committee and others of Congress discussing the problems associated with implementation of the national forest plans. I'm most pleased to be here today to begin the process of seeking a solution to those problems rather than what seems to be a long series of oversight as to what the problems actually are.

I'm also pleased to join my colleagues from across the country in strong support of H.R. 5094, which we believe is a very sound starting point for addressing some of the substantial problems which exist.

In my previous testimony I've noted for this committee that the forest plans are largely complete throughout the regions that the Intermountain Forest Industry Association represents. Those plans in almost all cases included a reduction in the Timber Sale Program from those forests. Those reductions were the result partly of the multiple use objectives of the National Forest Management Act, but more often a result of the climate of the early 1980's timber recession during which those plans were developed.

With these plans now in place, it is absolutely essential to us and the interests that we represent that the allowable sale quantities in those plans actually be consummated along with the other programs that those plans embrace. I have observed previously and I'm here to tell you again that the Forest Service's record in bringing about implementation of their forest plans has been dismal at best.

H.R. 5094, in our view, will do much to bring about the completion of the national forest planning process and the implementation of those plans initiated by Congress in 1976. Some of the highlights of this act include section 101 which establishes for the first time ever a requirement for the Forest Service to maintain, to the maximum extent feasible, the stability of communities which are economically dependent upon a given unit of the national forest. Many of the communities that we represent throughout Idaho and Montana depend entirely on the production of timber from those forests as their sole source of economic support.

In addition, there are several provisions of H.R. 5094 which assure that the allowable sale quantities in the plans will be met and that it will not be unjustifiably or arbitrarily reduced during the implementation process or subsequent amendments or revisions to those plans.

Those provisions of the bill are equally important as are sections 106 and 107 which will require that the agency certify that individual decisions on implementing the actions of the plan, during the course of the planning cycle will not—individually or in sequence—preclude the Forest Service from actually meeting the public policy objectives set by the plans themselves.

Finally, in this area of consideration, I direct your attention to section 308 which will require the Forest Service to submit annual budget requirements which include appendices outlining full-financing requirements for the plans. Our association has long been in support of full financing of all elements of the forest plans and have continually been frustrated as we have dealt with Congress and the appropriations process of the lack of a clear linkage between the budget submissions by the agency and what their plans call for.

My testimony also includes a long section on the importance of the national forests to meeting the Nation's wood supply. That's a topic that this committee is fully aware of. I won't dwell on that anymore, but I will just mention that in the intense debates that occur in local situations, the importance of the national forest to satisfying the Nation's timber needs is often overlooked. This provision of H.R. 5094 is also of extreme importance.

Probably my biggest criticism in the past of the national forest planning process has been the susceptibility of that process to endless appeals and litigation which has served only to obstruct the implementation of the policy decisions arrived at by the Forest Service during the planning process. H.R. 5094 will do much to bring a resolution to that problem. There are provisions included throughout title III of the bill which provide an opportunity to finally bring closure through the national forest planning process to the decisionmaking embraced therein. Section 306 directs the Forest Service to develop regulations specifying how implementation actions will be tiered to the forest plan itself, the NEPA requirements that will be required in implementing plans, and how those tier to the NEPA documents that were produced to cover the plans. That's been absent over the 5 years of implementation that we've experienced and is extremely important.

Section 304 of the act will establish alternative procedures which should allow judicial review actions to proceed much more expedi-

tiously. This is also important. I would stress in mentioning both of these during the course of title III, we do not read what others have found to be a problem in the act, where it would preclude legitimate challenges to be brought against the plans or those decisions.

At the same time, the bill does provide an extremely important element where it requires people who are going to bring administrative or judicial challenges against the forest plans to have previously participated in the decisionmaking process and to have exhausted their administrative remedies before seeking court redress of their considerations. This is most important.

In closing, I would mention that the Intermountain Forest Industry Association strongly opposes H.R. 4492, which is the Ancient Forest Protection of 1990, and H.R. 5295, the Ancient Forest Act of 1990. We do not have spotted owls in our part of the world, but we join our colleagues that have problems with that for the reasons outlined in my statement. And we also support H.R. 4909, the Community Stability Act of 1990 for the reasons outlined therein.

I appreciate this opportunity to testify and will be happy to answer questions that might arise.

[The prepared statement of Mr. Riley appears at the conclusion of the hearing.]

Mr. VOLKMER. Thank you very much, Mr. Riley.

Our next witness will be Ms. Jill Mackie. Jill, you may proceed with your testimony.

**STATEMENT OF JILL MACKIE, GOVERNMENT AFFAIRS
REPRESENTATIVE, PACIFIC LUMBER & SHIPPING CO.**

Ms. MACKIE. Thank you, Mr. Chairman. I am Jill Mackie of Pacific Lumber & Shipping Co. in Washington State. Our headquarters are in Seattle, but our economic impact is in eastern Lewis County, a rural area of Washington that's just south of Mount Rainier National Park and just north of Mount Saint Helens. Our mills are heavily dependent on timber from the Gifford Pinchot National Forest.

Our company is a small family owned firm which operates three mills in towns of eastern Lewis County: Morton, Randle, and Packwood. The latest official population estimate for Morton is 1,170. That sounds very small, but it's the largest of the three towns.

Through the years, Pacific Lumber and Shipping has maintained a commitment to steady employment. We have approximately 450 employees in eastern Lewis County. Our mills have operated at 100 percent all through the recession of the early 1980's and on into today's crisis of uncertainty. That's no shutdowns and no layoffs.

Our mills are totally up to date technologically, thanks to heavy investment. We contract out additional work to about 300 other people, mostly roadbuilders and loggers. Between the people we employ and the goods and services we purchase, the entire economic well-being of eastern Lewis County relies on Pacific Lumber & Shipping. There really isn't anything else, and we haven't failed these people.

But the process of national forest management is beginning to fail them and to fail us, too.

That's why I'm here today, to ask the subcommittee and the entire Congress to enact H.R. 5094. This bill certainly will not solve every forestry problem in our area, such as the spotted owl, but it will at least make it easier for the Forest Service to implement the plans it has taken more than a decade to develop, and it will help improve those plans when they're amended or revised.

I won't take the time to repeat the overview analysis that the colleagues here are presenting today, but I'd like to focus, instead, on some of the ways where we would be helped were this legislation in place at this time.

Pacific Lumber & Shipping Co. and its employees have been actively involved with the National Forest Management Act forest planning process for 10 years. The Gifford Pinchot National Forest provides Pacific Lumber & Shipping with roughly 70 percent of our raw material needs. The Gifford Pinchot recently released its final environmental impact statement and final land and resource management plan. Because of its direct link to the survival of our company and the dependent communities, Pacific Lumber & Shipping has been intensely monitoring the development of the Gifford Pinchot's forest plan.

The existing plan for the Gifford Pinchot prescribes an annual sale level of 411 million board feet per year. In 1987, the Gifford Pinchot produced a draft forest plan that reduced the allowable sale quantity to 388 million board feet per year. The final plan reduces the ASQ further to 334 million board feet. When new direction regarding the spotted owl is adopted, the ASQ will likely be dropped by upward of 50 percent.

Is this drastic reduction necessary? We don't think so. After the release of the draft forest plan with a recommendation for a timber sale level of 388 million board feet per year, the planning team on the Gifford Pinchot uncovered errors in their analysis. These corrections could have increased the timber sale level to 440 million board feet. Instead, the Gifford Pinchot made additional land withdrawals that lowered the timber sale level to 334 million board feet, before the spotted owl issue is ever even addressed. This difference of over 100 million board feet per year provides much room to maintain historical timber supply from the Gifford Pinchot, just as the vast preponderance of public comments have suggested.

H.R. 5094 would require the Gifford Pinchot to complete a significant amendment if additional withdrawal of spotted owl habitat reduces the ASQ. In completing this amendment, the Gifford Pinchot would have to revise their forest plan to consider, according to section 103, "other land use or management changes that, in combination with the required change, would be appropriate to maintain overall plan balance and meet other plan goals and outputs."

Without this specific requirement we are confident that the Forest Service planners would merely overlay any additional spotted owl habitat withdrawals on top of the 900,000 acres that are already withdrawn from intensive forest management. This is 900,000 out of the total land base of 1,371,700 acres. The Gifford Pinchot, like most forests in the Pacific Northwest, has a tremendous amount of flexibility in terms of land base availability to mitigate the impacts of additional spotted owl protection. H.R. 5094 would assure a rigorous exploration of all possible options.

Another provision of H.R. 5094 would be of particular help in assuring the survival of communities such as ours. That provision is section 101 which requires the Forest Service to at least analyze the impacts of forest planning decisions on affected communities. The Oregon Lands Coalition bill, H.R. 4909, has similar requirements and we endorse those, too.

Provisions like these may have seemed unnecessary when the National Forest Management Act was written nearly 15 years ago. The emphasis on public involvement was intended to make sure that people affected by forest planning decisions had an opportunity to get involved and that it wasn't just the agency imposing its will. But we didn't have the nationalization of decisionmaking that we seem to have now.

The balance of influence has shifted to the point that national politics and national interest groups have overwhelmed the impact of the people who are affected every day by these forest planning decisions. The affluent in places like New York and Beverly Hills, and Congressmen from Indiana, Massachusetts, and many other States, are ripping away the livelihoods of people whom they would be the very first to defend if those same people lived in their cities and in their constituencies.

Requiring some analysis of community impacts would at least put the gut issue of forest planning on the table, rather than lost under the table. The cost of some decisions in terms of family stability and social dislocation would be there to see.

The antithesis of considering local impacts is legislation like Mr. Jontz' "Ancient Forest Bill," or the similar bill introduced last week by Mr. Vento. We strongly oppose these bills. They would ruin our towns and communities and the people in them. You add up these kinds of things, Mr. Chairman, and you combine them with the spotted owl and ecoterrorism, and you'll see that it's becoming increasingly difficult for the folks in eastern Lewis County and us to make a living. It has become so frustrating and unpredictable that our company's president, Bob Spence, is looking at the availability of logs from the Soviet Union. Here we live amidst the most productive forest lands in the world and we're having to travel halfway around the world to look for logs to keep our mills operating. That's pretty ironic.

Mr. Chairman, we're trying the best we can to maintain stability in eastern Lewis County, and, yes, earn a buck while we're doing it. But the obstacles keep getting higher. This bill provides you with an opportunity here to restore some balance to the process. At Pacific Lumber & Shipping, we urge strongly that you would do that.

[The prepared statement of Ms. Mackie appears at the conclusion of the hearing.]

Mr. VOLKMER. Thank you very much.

Mr. Morgan.

STATEMENT OF DIGGES MORGAN III, VICE PRESIDENT, GOVERNMENT AFFAIRS, SOUTHERN FOREST PRODUCTS ASSOCIATION

Mr. MORGAN. Thank you, Mr. Chairman.

My name is Digges Morgan, and I am vice president of government affairs for the Southern Forest Products Association. SFPA is an association comprised of southern pine lumber manufacturers from 12 Southern States, and we're currently celebrating our 75th year of service to the southern pine industry.

I appreciate the opportunity today to testify on legislation pertaining to forest issues—H.R. 4492, the Ancient Forest Protection Act of 1990. H.R. 5094 and H.R. 5094, the National Forest Plan Implementation Act.

While few SFPA members are directly affected by the provisions contained in H.R. 4492, there is a fundamental policy issue with which all regions must be concerned. H.R. 4492, if passed, would undermine the forest planning efforts reflected in over 30 national forest plans.

The process to develop 123 forest plans has proven to be arduous. More than 1 million people have participated in the NFMA planning process, with over one-quarter of a billion dollars spent so far.

There are provisions in H.R. 4492 which could set a serious precedent for land management in other regions. For instance, section 4(d), suppression and control programs, states that the respective Secretaries may not conduct suppression or control programs for native insects, plants, or diseases within any unit of the system. And section 4(b)(2)(C) states that the Secretary may not undertake any fire suppression activity within a unit of the system.

Legislating such prescriptive management direction for so many affected national forests is simply not sound forest management. What is a private landowner to do if his or her land buffers one of these national forest tracts affected by this legislation? Such a hands off approach on our national forests could allow fire and disease problems to spill over into adjacent land ownerships. On the other hand, because of the associated forest definition contained in section 3(2), this may be a moot point because private land appears to be proposed for inclusion in the ancient forest reserve as well.

Again, I would offer that such provisions not only ignore the national forest planning effort to date, but also set a serious precedent for private land activities in other regions. When the national forest system was created, the public was given a hope that the land managers who cared for those lands would be allowed to do so in a manner which established world leadership in this area. Prescriptive legislation such as H.R. 4492 seems to be a retreat from that goal.

Turning to H.R. 5094, the National Forest Plan Implementation Act of 1990, would do a great deal to assure that land management conflicts come to resolution. The Southern Forest Products Association strongly supports this legislation.

In contrast to H.R. 4492, the National Forest Plan Implementation Act of 1990 would provide stability to the national forest planning process nationwide. It could be that if such legislation had been enacted several years ago, bills of a prescriptive nature such as H.R. 4492 would not be considered necessary by its sponsors. Congressional Members who drafted, and those who supported, the National Forest Management Act of 1990 appropriately recognized that land use conflicts should be resolved at the local level. However, without the implementation improvements contained in H.R.

5094, I doubt it will take long before other regions face legislation similar to the far reaching and prescriptive nature of H.R. 4492. While the spotted owl has occupied the vanguard position due to the impacts facing the forest products industry in the Pacific Northwest, the southern region has a popular endangered species which I'm sure you're aware of—the red cockaded woodpecker.

The process for development of forest plans has evolved, subject to considerable debate and controversy, over the past 14 years. Throughout this time, appeals have been an integral—perhaps all too integral—part of the process.

Today, 14 years after passage of NFMA, 103 of the 123 forest plans are completed. The plans for the eastern and southern forests were among the first to be completed, and they are now the nearest to resolution in their forest plan appeals. Of these completed forest plans, all were appealed and just over one-half have all appeals resolved. By contrast, in California, Oregon, and Washington, final plans are just now being completed.

As an example, the red cockaded woodpecker, a bird listed as an endangered species for nearly 20 years and accommodated in forest planning by the Forest Service, has emerged as a major issue in the southern pine forests.

The southern region's actions to change management practices for the protection of the red cockaded woodpecker provide an excellent example of the need for H.R. 5094. Under challenge that existing guidelines—approved by the U.S. Fish and Wildlife Service and incorporated in final forest plans—were not adequate to protect the species, the Forest Service altered its management practices throughout the South without complying with NEPA and NFMA procedures for plan amendments or even demonstrating that the new practices would further protect or improve the habitat for the woodpecker.

There are three related events which have triggered the conflict. First, the preservationists won a permanent injunction from a U.S. district court in Texas prohibiting the Forest Service from offering a clearcut-timber sale within three-quarters of a mile of a red cockaded woodpecker colony site. That limits harvesting on more than 1,100 acres for each site. The decision is under appeal.

Second, the Sierra Club threatened to bring a Texas-style red cockaded woodpecker lawsuit against timber cutting on national forests throughout the South.

Third, the regional forester, without proper environmental analysis, unilaterally capitulated to the Sierra Club threat by imposing a restrictive new timber cutting restriction policy on March 27, 1989 within that same three-quarters of a mile around each red cockaded woodpecker on 14 national forests in the South. The region 8 Forest Service timber purchasers council, of which SFPA is a member, has gone to court on this policy. This is because our biologists believe the regional forester's action will jeopardize recovery of the red cockaded woodpecker, and because the Forest Service has not adequately implemented its own policy developed with approval by the U.S. Fish and Wildlife Service, and then adopted in the regional guide and affected forest plans. Since March 27, the Forest Service has developed interim guidelines, which replace the March 27 policy. The agency's lack of confidence

What that ironically has done to us—although in the long term I think we will be vindicated—has broadened the definition of a spotted owl habitat to be just about everything in California, a tree larger than about 10 inches in diameter at breast height. So about 80 percent of California's forest lands are now suitable spotted owl habitats. We find owls in all of that kind of habitat. Those rules, by State estimates, will reduce harvest volumes on the long term on California's private lands by about 50 percent. All of those percentages are subject to argument, of course, because you're predicting something that nobody knows much about.

The value of the resource will go up. Coupled with the initiatives that are coming, we will see severe restrictions on California's productivity. There will be, on the part of a lot of smaller private landowners, the decision to sell those lands, probably for subdivision, probably for rural home sites which will attract a higher value. We're now at the point on those smaller forest lands where the owner cannot afford to grow a crop of trees for the long term. Large private ownerships will be affected. I think their sales of land, depending on initiatives, will come a little more gradually than the small owners.

I'm not sure that addresses your question.

Mr. VOLKMER. Yes, it has. In other words, it goes beyond the controversy of the national forest in California.

Mr. TOMASCHESKI. Oh yes. We're looking at extremes—we're trying, as a company, to broaden our private resource base and buy more private lands to make up for this deficit that we know is coming on the national forest. At the same time we're being squeezed the other way by these restrictions on private land. This talk that we can suddenly boost the productivity of our private lands to make up for this deficit—we're already at that productivity point. We already have all the brush fields planted into little trees. We've already done a lot of the things that people tell us we ought to be doing. We don't see a lot of slack there I guess is what I'm saying.

Mr. VOLKMER. I recognize the gentleman from Washington.

Mr. MORRISON. Thank you, Mr. Chairman.

I guess as I sit here as a member of this subcommittee, I sense that the planning process has not worked well. The reason I've been heavily involved in H.R. 5094 is for its conflict resolution features which unfortunately creates a new conflict.

I noticed that a number of you in your statements have talked about bringing closure to the conflict. Do you see that the conflicts that currently occur, particularly with the extensive appeals opportunities, really devastating to the people that you represent? Why don't we start with you, Jill, since I know your area so well.

Ms. MACKIE. Yes, it is particularly and the problem is that time is not on our side. When mills have 1 year, 2 years, 3 years under contract historically and appeals and litigation can tie up timber sales inevitably seemingly. In the meantime, mills are having to cut their inventory and process it through our mills and there is no stability for the future. Consequently, we cannot continue to invest in the mills and we can't plan for employment for the future because we are just thrown into horrendous uncertainty. So time is just not on our side in this.

global well-being. H.R. 5094 is essential for professional forestry decisions to be made by foresters rather than judges.

An example is the recent lawsuit filed in Federal court regarding clear cutting and herbicide use in the Ouachita National Forest. This 1.6-million acre forest in Arkansas and Oklahoma is the South's oldest and largest national forest. After spending years developing this forest plan with participation from all interest groups, environmental organizations are filing suit on 1,200 acres in 12 areas scheduled for logging. All of the time and effort to address controversial issues in this plan has been pointless because environmental organizations can currently take the same issues, debated time and time again in a planning process, to court.

There has to be a point when enough is enough. Under H.R. 5094, such a conflict would first have to be raised through a plan amendment process. Were the plaintiffs to prevail on their petition, then the decision would apply to the entire plan, not only to each implementing action under appeal. Also, should the plaintiffs have their petition denied by the agency, then the agency would have developed an administrative record regarding the issue. Such a record would likely be useful to the agency in defending its actions in court.

In conclusion, Mr. Chairman, I would like to make four points. First, the Southern Forest Products Association is opposed to H.R. 4492, as it undermines a significant national forest planning effort.

Second, while we support H.R. 5094, it could certainly be strengthened to assure that national forest plans become working documents.

Third, national forest plans, after an extensive public participation process are not being implemented in the southeastern region.

And finally, without stabilizing provisions contained in H.R. 5094, the southern forest products industry and affected communities will continue to suffer from severe and abrupt changes in forest plans through repetitive appeals, litigation, and the Forest Services' own ad-hoc policies which cause a drift from the plans.

Thank you, Mr. Chairman, and I will be glad to respond to any questions.

[The prepared statement of Mr. Morgan appears at the conclusion of the hearing.]

Mr. VOLKMER. Thank you, Mr. Morgan.

Members will apply the 5-minute rule. I just have one question at the present time and will have more later.

Mr. Tomascheski, recently I was in northern California. While I was there information was conveyed to me that the impact of not only what is occurring on the national lands but what is occurring in California with the Agriculture Department impositions, that there is concern about private landowners as to what value their timber may have if they're affected in this spot at all. Can you address that?

Mr. TOMASCHESKI. That's true, the California Board of Forestry has recently ratified rules concerning spotted owl protection on private lands. One of the things that we decided to do several years ago was to attempt, in a biologically sound way, to identify what spotted owls actually need in terms of functional habitat for various stages of their lifestyle.

What that ironically has done to us—although in the long term I think we will be vindicated—has broadened the definition of a spotted owl habitat to be just about everything in California, a tree larger than about 10 inches in diameter at breast height. So about 80 percent of California's forest lands are now suitable spotted owl habitats. We find owls in all of that kind of habitat. Those rules, by State estimates, will reduce harvest volumes on the long term on California's private lands by about 50 percent. All of those percentages are subject to argument, of course, because you're predicting something that nobody knows much about.

The value of the resource will go up. Coupled with the initiatives that are coming, we will see severe restrictions on California's productivity. There will be, on the part of a lot of smaller private landowners, the decision to sell those lands, probably for subdivision, probably for rural home sites which will attract a higher value. We're now at the point on those smaller forest lands where the owner cannot afford to grow a crop of trees for the long term. Large private ownerships will be affected. I think their sales of land, depending on initiatives, will come a little more gradually than the small owners.

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Mr. MORRISON. So the politics of delay—

Ms. MACKIE. Effectively are shutting down mills right now in Washington and Oregon and will continue to do so if we don't reach some sense of stability in this process.

Mr. MORRISON. Mr. Morgan, you indicated in some of the conflicts that you've run into that it's times when even the Forest Service itself is part of the problem in the planning process, as in changing plans without adequate review. Are there features of H.R. 5094 that would resolve that side of the conflict problem?

Mr. MORGAN. Yes, Mr. Morrison, I believe there are features in H.R. 5094 which would be very beneficial to the southern regions and to the national forests throughout the country. We've been very frustrated with the red cockaded woodpecker situation in the South. In dealing with the Forest Service, we felt like we remained open at all times to help them through with whatever policy decisions or questions that they may have for our industry. Sections—I believe 106, 101—in H.R. 5094 would be beneficial to the national forest management planning process. I think it's very instrumental.

Mr. MORRISON. In the case of the red cockaded woodpecker, there is a management plan approved by the Fish and Wildlife Service that's in place. Correct?

Mr. MORGAN. That's right.

Mr. MORRISON. Yet the Forest Service went beyond that, subject to some sort of pressure. What were the pressures that drove them in that direction?

Mr. MORGAN. I think it comes a lot from the Texas lawsuit that evolved and the desire by the Sierra Club to go ahead and put in effect the limitations on the other national forests in the South. I think it really made the Forest Service nervous that they've reacted—kind of a knee jerk reaction—and without further public comment they have gone ahead and changed the red cockaded woodpecker handbook, which has been in place since 1985, and proposed interim guidelines that we have challenged. They have not taken into consideration public comment and review, which Congress of course has had in place in law since 1976.

Mr. MORRISON. Do you get the feeling that your regional forester did this on his own, or was this something that he was instructed to do?

Mr. MORGAN. I think he was instructed to do it. I just question the coordination from the head office in Washington, and whether it's coordinated properly. But I think it was management by press release, as somebody here on the panel has said. It's just a quick reaction to a problem.

Mr. MORRISON. As I look at the issues that bring us together, and the concern with my good friend and colleague, Mr. Johns, from Indiana about ancient trees, as I understand our forest plans in the Northwest, if we had had those in place and effectively implemented, then we would have protected a lot of those old-growth areas in those plans. That's why my belief that if we had plans and logically implemented them, then we wouldn't face a lot of the difficulties that we face today.

So it's my hope that we can get some good discussion going, Mr. Chairman, on making these forest plans work, getting them in

place and have a different procedure then for amending them. Otherwise we ought to just get rid of them.

Thank you.

Mr. VOLKMER. Thank you.

The gentleman from Virginia.

Mr. OLIN. Thank you, Mr. Chairman.

I'm not going to ask any questions, only make a few comments.

I'd like to congratulate the witnesses on their testimony. I think you've presented your case clearly. I think it's understandable. I think that this committee is going to try to find some solution. We will have some difference of opinion on the committee, but I would certainly agree that an examination of the planning process, the appeals process, and the plan to have the flexibility to adapt that to actual circumstances needs to be looked at.

I would agree with Mr. Morgan. I happen to be part of region 8 and I've noticed quite a few instances where the Forest Service departed from the plan. Most of the appeals, I think, have been related to cases where the Forest Service's actual actions did not correspond to the written plans that they have. This made them very vulnerable to appeal and also caused an awful lot of unrest and difficulty.

So I think that approach probably does represent an opportunity to get at this. It also means that if we find some answers, there might be some more permanence coming out of it rather than just reacting to this situation and finding a fix for it, but not really having done anything different.

For those of you who mentioned the subject of full financing, I wouldn't want to be too optimistic on that one, because I don't think we can ever guarantee the financing of any of our activities, but that doesn't alter the need to be working within the plan. The plan ought to indicate the priority levels so that you have some kind of indication of what would happen if you hit a period of time where the financing was a little tight. I can't think of any activity of the Government that considers itself fully funded. I think you might keep that in mind when you're thinking about that subject.

Thank you very much, Mr. Chairman.

Mr. VOLKMER. The gentleman from Oregon.

Mr. SMITH. Thank you, Mr. Chairman.

Mr. Tomascheski, it's my understanding that according to the studies which you have conducted, the spotted owl not only lives in old-growth forests, but also thrives in certain second-growth trees. Is that correct?

Mr. TOMASCHESKI. They certainly do breed successfully there and they return there. So far now we have 3 years of monitoring.

Mr. SMITH. Have you found that the spotted owl can live in second growth other than redwoods?

Mr. TOMASCHESKI. They certainly do. I won't comment on that, but they certainly live outside redwoods.

Mr. SMITH. We've heard that the spotted owl can live in second-growth redwoods, but that's it. Now you're saying that they live in second-growth Douglas-fir, second-growth mixed—

Mr. TOMASCHESKI. They live in second-growth mixed conifers, second-growth true fir, and hardwood stands—pure hardwood stands—and blackberry brambles.

Mr. SMITH. Is northern California so much different than southern Oregon?

Mr. TOMASCHESKI. No, it is not, not in terms of physiography.

Mr. SMITH. So if they lived in northern California in second-growth conifers, then it can be assumed that they might live in second-growth forests that are in Oregon?

Mr. TOMASCHESKI. That's the kind of theorizing that biologists engage in all the time. I don't see any reason why we shouldn't do the same.

Mr. SMITH. Thank you.

Ms. Mackie, the environmentalists say the economies of communities like yours need to be updated to reduce their dependence on timber and increase their role in tourism and recreation. Coal miners and steel millworkers and autoworkers have had to make changes to cope with changing times. Why can't your workers make those adjustments?

Ms. MACKIE. I think that in some communities adjustments can be made and I think that communities in the Pacific Northwest, as you well know, are working very hard to try to diversify their economic base, but I don't think you can expect a community which is heavily timber dependent to lose 60 percent of its economic base and be able to adjust overnight.

Then there is no provision currently to help these communities sustain themselves in the meantime. One of the benefits of this bill is that it steps down outputs on Forest Service land over a period of time rather than devastating communities just in one fell swoop.

Mr. SMITH. Why don't we just speak of tourism and recreation?

Ms. MACKIE. Well, that's an interesting question. We sponsored one of our union mill employees, a woman, to come back with a variety of other union mill employees to testify and to meet with different Members of the Congress from around the country. When you suggest to a well-paid union mill employee that their job can easily be replaced cooking hamburgers or driving a tour bus, they find it very difficult to believe that.

In eastern Lewis County the cost of living is not high and the average wage for people in our mills who just have a high school education is \$35,000 a year. It's a pretty good living for those people and they have purchased homes based on their income and based on the belief that they would have those jobs. This income just cannot be replaced for those people with tourism jobs.

Mr. SMITH. Not to desecrate your part of the country, but that's kind of a nasty winter.

Ms. MACKIE. Yes, it is, but it's beautiful.

Mr. SMITH. I know it's beautiful—beautifully nasty in winter-time.

Ms. MACKIE. Yes, and it's not a place that we would all like to go in the winter. That's absolutely true.

Mr. SMITH. Tourists don't usually go to a nasty winter part of the country, they generally go to the Sun.

Just one more question. Mr. Morgan, I'm interested in your talk about the red cockaded woodpecker and I'm wondering if in the southern forests private lands are impacted by the possibility of either the red cockaded woodpecker being a threatened species, or

the efforts already to outline, by Forest Service management, some 1,100 acres?

Mr. MORGAN. The private landowners are very concerned because as the way the handbook and the law states now, anybody could be prosecuted or brought under control of the law for the taking of the bird or the harming of the bird. I think the private nonindustrial landowner is very aware of their forest management practices and providing habitat for the woodpecker.

We have been very concerned about what has been happening on public lands and having it spill into the private lands. Case in point being the Pacific Northwest and what's evolving out there. I think it's going to be a short period of time before that whole scope flows right into the South.

But I feel confident that the landowners in the South, primarily the 75 to 80 percent of the nonindustrial private landowners, are very concerned about the environment, the species, maintaining it, but also harvesting the timber that is in such demand in the United States and worldwide for everybody's needs.

Mr. SMITH. Thank you.

Thank you, Mr. Chairman.

Mr. VOLKMER. The gentleman from Indiana.

Mr. JONTZ. Thank you, Mr. Chairman, and thank you to all the witnesses for the testimony.

Mr. Morgan, your testimony notes that one of the important provisions of Mr. AuCoin's legislation would require that the ASQ set an enforced goal to be reached. Is that a fair representation of the AuCoin bill?

Mr. MORGAN. I think so. The ASQ in region 8 forests, particularly the Appalachian Region, is higher rather than lower in the Historic Sales Program.

Mr. JONTZ. Let me ask this question. The forest plans, as I understand it, set a number of goals for different purposes. The ASQ is one of those. Should the law also mandate that all of the other goals be met?

Mr. MORGAN. The other goals? Could you give me some examples?

Mr. JONTZ. In the plan. Whatever it is—for fisheries, recreation, whatever the goals are—should the law mandate that those be met also?

Mr. MORGAN. I'm not quite sure if I can answer that.

Mr. JONTZ. I guess the question I would ask is: Why would it be a good thing for the law to mandate that the timber goal be met, but it would not be a good thing for the law to mandate the other goals? I would think that if it's good for one, it's good for the other. Don't you think?

Mr. MORGAN. For multiple-use purposes, of course. For recreation, timber—you certainly—for what's provided in the law and for multiple use of the national forests, timber is just one of many things that need to be observed and taken care of.

Mr. JONTZ. So it would be your judgment that if we were to rewrite the National Forest Management Act, to require that goals be met in the area of timber production, then we would also want to rewrite it to require that goals be met in every area that the plan envisions. Is that correct?

Mr. MORGAN. For multiple-use purposes, I think there is something in the national forests for everybody.

Mr. TOMASCHESKI. I'd like to add to that question if I could.

Mr. JONTZ. Sure.

Mr. TOMASCHESKI. What the act would do would be to mandate that the effects of reductions in harvest levels be adequately documented and be subject to the NEPA process. I don't think it's a blanket prescription that we must have whatever the ASQ initially comes out with in the act. I think that's the same kind of process that we go through now with all the other resources. What we're asking for is documentation rather than press release public policy. What we're asking for is an assessment of the effects of decreases in things like ASQ.

Mr. JONTZ. Sure.

Well, let me ask the panel this question. At this subcommittee's last hearing, we heard a witness from the Office of Technology Assessment who had completed a study of the RPA process which relates to the forest plans I think. The conclusion that we heard was that the planning process had served more to further short-term commodity outputs than it did the condition of the resource for a long term. Do you think that the condition of the resource long term is more important, less important, or of equal importance to the production of short-term commodity outputs?

Mr. TOMASCHESKI. It sounds like a multiple choice test. [Laughter.]

Mr. JONTZ. Yes, basically it is. Or if you don't think those choices are adequate, pick another one. We can make it essay, if you choose. [Laughter.]

Mr. TOMASCHESKI. Let me use California as an example. Current management prescriptions in draft and final plans—regardless of leaving out HCA's, leaving out spotted owl listing, leaving out all the new things that are coming—result in the long term in California on the forested land base, both public and private, of about 40 percent of the forested land base in northern California either having old growth now and being protected for the long term or in the next five decades growing into old growth because of those management constraints that are placed upon them. So to say that we have a short term kind of an output with commodities and we're ignoring the long term I think is extremely inaccurate. We can provide the documentation and the mapping to demonstrate that.

Mr. JONTZ. My time has expired, but I guess I take your answer to mean that you would see that mandating the—

Mr. TOMASCHESKI. None of the above.

Mr. JONTZ. That mandating the long-term maintenance of the resource would be at least as important.

Mr. TOMASCHESKI. That's exactly what we're doing in the planning process.

Mr. JONTZ. We can disagree as to whether we are or we aren't, but we do agree that it ought to be of equal importance?

Mr. TOMASCHESKI. Certainly.

Mr. JONTZ. I thank the Chair.

Mr. VOLKMER. The gentleman from California.

Mr. HERGER. Thank you, Mr. Chairman.

I want to apologize for being detained for the beginning of this meeting and would like to request unanimous consent that my opening statement be entered for the record in the proper place.

Mr. VOLKMER. Without objection, your prepared statement will appear in the record.

Mr. HERGER. Thank you, Mr. Chairman.

Mr. Tomascheski, I want to welcome you here from my district in northern California.

Mr. TOMASCHESKI. Thank you.

Mr. HERGER. It's good to have you.

I'd like to follow up a little bit if I could on some of the questioning from my colleague from Oregon, previously.

Am I correct that your company has done quite extensive research yourself that you pay for on spotted owls with biologists? Is that correct?

Mr. TOMASCHESKI. That's correct.

Mr. HERGER. Would you say that the biologists that you've used and the methods that you've used would be credible and would be acknowledged by the scientific community as being credible?

Mr. TOMASCHESKI. Yes, they are. In fact, we have a letter from Jack Ward Thomas stating just that in the face of the attacks on our credibility from the environmental community. We also have the same from the California contingent of Fish and Wildlife and the California Fish and Game.

Mr. HERGER. Thank you.

We did have Jack Ward Thomas before a committee that I was serving on here just a couple of weeks ago. He was under questioning. In his own comments—of course the theory of the Jack Ward Thomas plan is that the spotted owl requires these old-growth forests in order to survive—he did mention, as I understand it, that some of your studies show something other than that. Is that correct?

Mr. TOMASCHESKI. That's true. What the Thomas committee did—and we spent considerable time with them—is take the safest of the safe routes. Wherever there was a decision to be reached in that process, they took the safest, most conservative approach possible.

It's as if I were to give you the choice of how you're going to run northern California. I think you would opt for things that are considerably different than they are today. Essentially, the Thomas committee had their way in coming up with something that, in a perfect world, would be nice to implement.

They also did recognize alternatives that could be put together. In fact, we're working on some alternatives to HCA's. We've presented them to the working group already. We're back here next week to do the same thing again. Jack Thomas, Jared Verner, and Gordon Gould, all members of the Thomas committee, are participating in that with us.

Actually, in northern California, we can produce more owls than the Thomas committee report does using their same modeling assumptions with a matrix landscape approach to managing for owls. There are some real opportunities there. This black and white, owls or jobs, owls or devastation is incorrect. It's incorrect on the ground—in northern California at least.

Mr. HERGER. He did, again, mention under questioning that they had found spotted owls in trees as young as 40 years, 60 years, 90 years, however their strong implication were that these were unique stands—unique stands in that they had the characteristic of the old-growth. Do your studies back that up?

In other words, even with those findings, he was indicating that you still basically had to have these old-growth timber in order to have spotted owls. Do the studies that you did indicate the same?

Mr. TOMASCHESKI. No, they don't.

Mr. HERGER. In other words, can owls live outside what the—Jack Ward Thomas basically says they cannot with a few exceptions. Do your studies show anything other than that?

Mr. TOMASCHESKI. They can live outside this pristine old-growth area if stands have the structural characteristics they need for foraging, roosting, and nesting. Now trees 11 inches and up have been shown by us to provide that.

What we don't have yet—we only have 2½ to 3 years of research on the owl. We're going to continue to monitor. It takes a while to build up research. It takes a while because we're the industry, to develop credibility in the eyes of the biologists, particularly when they've come out for the past 10 years with strong statements that this is what we need. We think that's our only hope—to build that credibility long term. We'll continue to try to do that. But we've also modeled forest stands on our ownership—800,000 acres—for the next 30 years showing that where we have owls now in that kind of habitat, we'll have just as much of that habitat at the end of the third decade period as we do now. So we think we have that addressed. I don't think the scientific community is ready to accept us whole hog yet—if I might use a bolder term.

Mr. HERGER. But just in conclusion, from the studies you have, with accepted biologists, including accepted by Jack Ward Thomas himself, you're finding that owls exist, live, and flourish in areas outside of the "ancient forests" and if managed in a proper way, we can have owls and continue to harvest these forests in a prudent way. Is that correct?

Mr. TOMASCHESKI. We're completely committed to that. You can manage timber stands in a way that manages for the prerequisites of wildlife. All it takes is an open mind and a little less polarization in the process.

Mr. HERGER. Thank you.

Mr. VOLKMER. I thank the gentleman from California.

We have a vote that we're going to have to make, but we're going to see if we can't finish up the questions on this panel, if at all possible, before we go vote.

At that time, I'd like to recess until about 1:15 p.m. and we'll proceed with the next panel at that time. I have a quick question of Ms. Mackie. Do you all purchase from private timber owners?

Ms. MACKIE. Yes, we do.

Mr. VOLKMER. Can you tell me what has happened to the stumpage price in the last year in your area?

Ms. MACKIE. To tell you the truth, no, I can't, but I'd be glad to get that information to you.

Are you talking about stumpage prices on Federal land?

Mr. VOLKMER. On Federal and private lands.

Ms. MACKIE. I know that on Federal land it has escalated immensely and on private lands in our general area, I can't tell you exactly what the ratio is.

Mr. VOLKMER. Has it gone up 20 percent on Federal lands, 10 percent——

Ms. MACKIE. I don't know what the percentages are.

Mr. VOLKMER. Can you get us that information?

Ms. MACKIE. I would certainly be glad to do that.

Mr. VOLKMER. I'd like to have more on private lands because I'm sure we can probably get a better idea tomorrow when we have the Forest Service up to give us an idea from the Federal lands.

[The information follows:]

Stumpage on all ownerships has drastically increased over the last two years. From the second quarter of 1989 to the second quarter of 1990, the average delivered log bid increased from \$440 per thousand board feet to \$580 per thousand. This is up from \$380 per thousand in the same period in 1988. So, over the last two years, we've experienced an increase in raw material cost of approximately 65%. At the same time, the price of finished products has risen by only 10%. Mills cannot continue to bid indefinitely at these prices. They'll go broke.

In response to your question on the price of private timber that we purchase to supply our mills, the prices have escalated at the same rate on private logs as they have on federal.

I hope this answers your questions. I would be happy to provide further information if it would be helpful.

Mr. VOLKMER. Mr. Tomascheski, can you tell us what happens to stumpage?

Mr. TOMASCHESKI. Yes. Stumpage prices have escalated on Federal contracts 20 percent to 30 percent in our area in the last year. Prices bid now for 2-year sales are at levels that nobody can come out at now that people are desperate, hoping that they will, when they have to cut the timber next year and the year after. Private land prices—the same thing. They've escalated about the same amount for delivered logs, therefore stumpage—the fear of the initiatives coming has also scared a lot of small private landowners just recently into putting their timber on the market thinking that they won't be able to operate next year. That's just recently had a little dampening effect on prices the last month or so.

Mr. VOLKMER. Mr. Morgan, what's happened to prices in the South and the Southeast?

Mr. MORGAN. Mr. Chairman, for stumpage prices I'd have to get that from the region 8 Forest Service office. I did try to obtain that information before I came to this hearing but I don't have it.

Mr. VOLKMER. OK, we'll try to get that tomorrow.

I want to thank you.

I would just like to echo part of the remarks of the gentleman from Washington in regard to our Forest Service plans. These plans that have not been finished yet—like we don't have a one in the State of Washington completed—was supposed to have been completed back in 1985. Some of us are beginning to wonder, "What good are they actually doing?" Even those that have been agreed to, now we find for other reasons, that you've annunciated in other areas of Forest Service sometimes decides to make changes without going through any planning process. It makes me begin to wonder.

Then on my own Mark Twain National Forest in Missouri, now we're having about every sale that comes up as being appealed and delaying the process again. I agree with the gentleman from Washington that we need to look at this planning process. I think that H.R. 5094 at least gives us a starting point to look at possible ways that we can make the plans worthwhile so that they can be utilized, or perhaps we should look at another way of doing it.

With that, I yield to the gentleman from Washington first. Do you have any additional questions?

The gentleman from Virginia.

The gentleman from Oregon.

Mr. SMITH. I have one quick follow-up question.

Dr. Larry Owen was a consultant biologist advisor that talked to Thomas. Jack Ward Thomas stated that HCA's ought to be 12 miles. He said that he thought that owls could move 20 miles. He indicated that would make a 30 to 40 percent difference in the whole set-aside program for owls, which would be a terrific change in the ASQ analysis. Have your biologists looked at that question?

Mr. TOMASCHESKI. Yes, we have. The modeling that was done by the Thomas committee—you have to understand they worked in a very short time—tried to amass an enormous amount of data and put it into something cogent. The modeling is the weakest link, therefore the HCA is set up and the distances in the whole report—that's the weakest link. The same set of data supports

HCA's twice as far apart. The same set of data upon review also supports the conclusion that one-half as many owl pairs within an HCA will produce the same projected viability in Thomas over the long term.

Mr. SMITH. We have to go vote. I just wanted to state, Mr. Chairman, that obviously the Jack Ward Thomas program was state of the art as of April 1990. Obviously we have a lot more to learn about the owl science and we ought not to place walls around the decision here with respect to future management plans until we know the future science and whether or not owls need and exist in different types of habitat.

Mr. VOLKMER. The gentleman from Indiana.

Mr. JONTZ. Mr. Chairman, time will not allow me to pursue a line of questioning that I wanted to pursue. I won't take that time. I think it might be helpful for the committee to have heard the response of the questions about the nature of the litigation that he spoke to in his testimony, but let me just make this point.

I think it would be good for our committee to study the nature of the litigation from the standpoint of what is alleged in these lawsuits and what the findings of the court are. It seems to me that if the problem with the litigation is that the agency isn't following the law, it's not surprising that they're taken to court. The industry would do it in 1 minute when they caught the industry not following the law. It's not surprising that the environmentalists do it too.

We in the Congress write the laws, if the agencies don't follow them, we shouldn't be surprised that they end up in court. Whether you solve the problem by insulating the process from review by the courts, or whether you solve the problem by doing what we can to see that the agencies follow the law, it seems to me to be central to this whole issue. I'm not sure that we really have a lot of information about that. Perhaps it would be profitable for the committee to pursue it sometime in the future.

I guess my inclination would be to say, "Why is the agency being taken to court and why are they losing lawsuits. What can we do to make sure they meet the requirements of the laws that we have written."

I would just offer that thought.

Mr. VOLKMER. The gentleman makes a worthy suggestion and we'll take it under consideration. If the gentleman has any additional questions for this panel, he may submit them in writing and I'm sure that the panelists would be willing to respond.

Ms. Mackie, I'd appreciate the information about the private forests.

With that, we're going to go vote. We'll relieve this panel and when we return we'll start with the next panel.

[Whereupon, at 12:07 p.m., the subcommittee was recessed, to reconvene at 1 p.m., the same day.]

AFTERNOON SESSION

Mr. VOLKMER. The subcommittee will resume the hearing.

Our next panel will be Mr. George Frampton, Jr., president, the Wilderness Society, Washington, DC; Mr. George W. Johnson,

senior vice president, Conservation, Federation of Fly Fishers, Pullman, Washington; and Dr. Elliott Norse, Forest Ecologist, Washington, DC. Gentlemen, your statements will be made a part of the record at the point in which you testify. You may either summarize or review in full. I've already reviewed your testimonies. They're not very long, so I'll leave that up to you.

George, it's good to see you again. I welcome you back to the subcommittee. You, along with some of the other people on the previous panel, are getting to be almost semimembers. [Laughter.]

We appreciate it and look forward to your testimony. You may proceed.

**STATEMENT OF GEORGE T. FRAMPTON, JR., PRESIDENT, THE
WILDERNESS SOCIETY**

Mr. FRAMPTON. Thank you, Mr. Chairman.

I am George Frampton, president of the Wilderness Society. I appreciate the opportunity to appear here on behalf of the society's approximately 400,000 members.

Contrary to some of what this committee heard this morning, the national forests of the Pacific Northwest don't only belong to the timber industry. Mr. Chairman, they belong to all of the people of the region and the United States. I think that this has become a national issue. There is growing support around the country for preserving the ancient forests of the Pacific Northwest—all the remaining ancient forests, or at least as much as we can.

I think that manifested itself in the national reaction to the administration's White House refusal after the listing of the spotted owl to endorse the results of its own scientific panel. I think that position has been widely condemned around the country. The administration said that it needed to find balance. I don't think people are buying it. People are beginning to understand that we have cut 90 percent of the ancient forests that once blanketed this region. There's only 10 percent left. Perhaps balance is moving now to try to protect as much of the remaining 10 percent as we can. I'd like to talk about two things this morning. First, jobs, and then second, I'd like to suggest that there are three considerations that this committee is really going to have to take into account in shaping some kind of a protective legislation, authorizing legislation, which we very much hope you will do.

The timber industry in the Pacific Northwest is in a transition, increasing its productivity, which it had to do in the late 1970's to cope with the timber recession, since it was a very high cost producer, and of course in a transition from an old growth to a second-growth timber economy. That transition has cost 26,000 jobs in the last 10 years. That's a trend that will continue. The industry says that if we protect the rest of the ancient forests in this region, we're going to have economic devastation.

That's nonsense. What is remarkable is that all of those who have looked at the jobs issue in a credible fashion are pretty much in agreement about what the job impact is likely to be—everybody—the Forest Service, the industry, and the Wilderness Society.

The Forest Service's estimates are that putting the Jack Ward Thomas plan into effect will cost about 14,000 direct jobs over 10

years in the three States of the region. 14,000 jobs over 10 years. The industry, 2 weeks ago, released a study which was coordinated by [redacted] Beuter, who is a very well respected timber economist in Portland, and that study predicts that the implementation of the Jack Ward Thomas plan will cost 17,000 direct jobs over 10 years.

The press releases on that study talk about 100,000 jobs, 80,000 jobs, but most of that is estimates of what would happen if the Jack Ward Thomas plan were put into effect on private land—which the committee itself says that it has no intention of doing and is not part of its proposal—and various kinds of multiplier effects. If you look at the study, what it says is that implementation of the Jack Ward Thomas plan would cost 17,000 jobs over 10 years.

The Wilderness Society did a study 1 year ago. If you take out technological change, 9,000 to 12,000 jobs.

Now, let's take the industry's estimate—17,000 jobs over 10 years—1,700 jobs a year. That's not an insignificant number of jobs by any means. But in Oregon and Washington alone, we are creating today 160,000 new direct jobs every year—100 jobs for every job that the industry's own economist team says will be lost if we put the Jack Ward Thomas plan into effect. That is not regional economic devastation.

What we need to do about that is not cut down the rest of the old growth forests, it's take other measures, including trying to deal with log exports that have been the subject of discussion before this committee for the last year. Log exports alone, at the rate of last year—if all log exports from private lands were kept in this country, that would be enough to create 16,000 mill jobs, about the same number of jobs that the industry's own economist, Mr. Beuter, predicts will be lost over 10 years if we implement the Jack Ward Thomas plan.

Now let me suggest three considerations that I think that the committee must take into account in thinking about structuring authorizing legislation to protect ancient forests.

First, I do not believe that the Congress, the House of Representatives or the Senate, or the American people are going to buy into amendments to the Endangered Species Act. What that means to us is that the Thomas plan, right now at least, constitutes effectively a floor of what we would urge this committee and what we think the Congress will have to do.

I heard talk about the Jack Ward Thomas plan as if "Well, this is just another plan. We don't have to accept what this fellow said." Mr. Thomas, Dr. Thomas, is not just another Congressman with another bill. The Congress commissioned a study and the Thomas report represents the consensus judgment of the Federal scientific community on the minimum amount of habitat that has to be set aside to protect the owl. I don't believe that scientific judgment has been impeached.

Unless and until it is, I would suggest to you that under the Endangered Species Act, unless Congress is willing to make significant amendments to the Endangered Species Act, that strategy has to be a floor for any authorizing legislation.

Second, I think there is growing support for strong protection of ancient forests. That means going beyond simply the owl. The Jack

Ward Thomas HCA's only protect within them about 30 percent of the remaining unprotected ancient forests in Oregon, Washington, and northern California. Unlike Mr. Jontz' bill, which we support and which would provide interim protection for 100 percent of what's out there until we figure out how to put a reserve together, the Jack Ward Thomas plan only provides interim protection to 30 percent.

That is a significant problem. The Thomas HCA has set aside a lot of acreage, but a lot of it is cutover land. It only protects 30 percent of what's left that's unprotected.

Finally, I would submit to you that the Congress and the country is not willing at this point to accept restrictions on judicial review and mandated timber cut levels any more than it's prepared to accept amendments to the Endangered Species Act.

That is the reason why we have gone on the record in opposition to the bill introduced by Mr. AuCoin, Mr. Morrison, and others. We think that bill basically negates the planning process of the National Forest Management Act because it imposes for every forest in the country, not only the Pacific Northwest—every forest in the country a top-down timber quota effectively negating the science and the planning and the forestry that went into the plans.

In addition, it provides that if for any reason the top-down timber quotas don't allow the timber harvest levels in some forests to stay up to where they are now, would provide that the annual decrease in the timber harvest level in any forest cannot be more than 2.5 percent per year.

So for a forest such as the Mount Baker Snoqualmie National Forest where the traditional timber harvest level has been about 200 million board feet, but the plan calls for about 100 million board feet in the future, instead of taking 1 year to implement the new national forest plan, it would take 40 years. We continue to be opposed to that bill and other efforts to either set timber quotas or to provide for reduced judicial review.

Thank you, Mr. Chairman.

[The prepared statement of Mr. Frampton appears at the conclusion of the hearing.]

Mr. VOLKMER. Thank you.

The next witness will be Mr. Johnson.

STATEMENT OF GEORGE W. JOHNSON, NATIONAL CONSERVATION CHAIR, FEDERATION OF FLY FISHERS

Mr. JOHNSON. Thank you, Mr. Chairman.

Mr. Chairman, I am George Johnson, national conservation chair for the Federation of Fly Fishers. The federation is a national organization of fly fishers of some 12,000 members. Because fisheries depend upon healthy watersheds, I appreciate the opportunity to testify on H.R. 4492, the Ancient Forest Protection Act of 1990.

I have spent my entire life in the Pacific Northwest. I was born and raised in Montana, where I worked for several seasons with the Forest Service in various fire protection positions. I have a masters degree in education with emphasis on biological and physical sciences. I currently live in Pullman, Washington, where I have been teaching chemistry at Pullman High School for 23 years.

My primary activity outside my vocation is fly fishing. I have also taught fly fishing for the past 15 years. I have been fortunate to enjoy the opportunity of fishing most of the larger rivers and streams in the Northwest and often fish high mountain lakes and creeks.

I have firsthand knowledge about evaluating and monitoring logging impacts on mountain streams. During the summer of 1988, I was asked by the Forest Service to participate in the monitoring and rehabilitation of a logged over area in the Gravey Creek watershed in Idaho. This area was clearcut logged in 1968. In 1988, the Forest Service made a very substantial attempt to rehabilitate the logging damage done to the watershed.

It was clear to me that the impacts of logging were long term in nature and in some cases caused irreparable harm to the ecosystem. The removal of timber from the watershed had caused severe erosion problems. In this particular case, the Forest Service was unable to effect repairs in some of the more extreme problem sites. These areas caused damage to the watershed and the fishery the area supported. I saw that the siltation caused by the logging had caused a once fine native cut throat trout spawning stream to be lost. Siltation changes the texture of stream to a form that resembles concrete.

The stream can no longer provide spawning beds for the cut throat or even a substrate for the aquatic insects that form the basis of the food chain. The Forest Service has set up a water quality monitoring station in this stream. Aggressive water quality monitoring must be a direction for the future. I think this is really the substantial highlight of that particular program. We are taking a look at the water quality on an ongoing basis.

I have observed streams in logged over areas that will become muddied within minutes of even a short rain fall. This points out the necessity of protecting watersheds for the future.

In the Pacific Northwest, personal observations in the Cascade Range of Washington State have shown extensive clearcut logging over much of the area. These clearcuts often go from the base of a ridge to the highest point and from stream bottom to ridge top. The effects of these kinds of clearcuts on water quality must be monitored.

In the Deer Creek watershed of the Mount Baker-Snoqualmie National Forest in Washington State, such logging activity has resulted in enormous land slides. Each rain and spring freshlet brings tons upon tons of sediment into the stream. The damage cannot be undone. What was once a prime steelhead nursery stream, a stream that was actually set aside by the State of Washington as a nursery stream for steelhead, is now a shallow, wide drainage ditch. I think there is little hope for this stream to recover.

I fear that many of the new and numerous clearcuts in the Pacific Northwest will result in similar damage to many watersheds. In closing, I believe the Ancient Forest Protection Act of 1990 is needed to protect fisheries in the Pacific Northwest as well as other water resources like municipal water supplies.

Thank you, Mr. Chairman. I'll be glad to answer any questions that any members of the subcommittee may have for me.

[The prepared statement of Mr. Johnson appears at the conclusion of the hearing.]

Mr. VOLKMER. Thank you very much, Mr. Johnson.

Dr. Norse.

**STATEMENT OF ELLIOTT A. NORSE, CHIEF SCIENTIST, CENTER
FOR MARINE CONSERVATION**

Mr. NORSE. Thank you, Mr. Chairman.

I am Elliott Norse. I am the chief scientist of the Center for Marine Conservation. I'd like to thank you for inviting me to testify. I've done so before for you, Mr. Volkmer, on the issue of genetic engineering. I'm honored that you're asking the input of scientists on this issue because I think it's very important.

I prepared testimony and I've submitted that for the record. I would like to depart, however, from my planned comments because of something that Congressman Smith said this morning that I think very much needs to be answered.

I am the author of a book called "Ancient Forests of the Pacific Northwest." In this book, I looked at the ancient forests of western Washington and western Oregon, at their ecology and how they work. As part of that exercise, I did what I think was the first mathematically rigorous quantification of how much old-growth forest is left in western Washington and western Oregon. That has been through a rigorous process of peer review. A lot of other scientists have looked at it, so I've made modifications as necessary.

Mr. Smith said that the idea of 2.3 million acres of old growth being left in the Pacific Northwest is patently false. That statement is patently incorrect. I'd like to explain why there is a disparity in these numbers. I think we all have opinions on what should happen about ancient forests, disappearing jobs, disappearing spotted owls, and we can all have different opinions. But I think we need to agree about the facts. That's what I'm going to try to help us do today.

One is that the figure that Mr. Smith quoted is not for the Northwest, it's for western Washington and western Oregon. That leaves out eastern Washington, eastern Oregon, and northern California. That's one of the reasons for the disparity in numbers. There's a second reason, and that is that the figures he's quoting are based on figures from the Forest Service. The Forest Service has definitions of old-growth forests that differ on each of the 12 national forests in the Northwest.

For example, the most egregious example of erroneously calling something old growth is that in Umpqua National Forest in Oregon. The Forest Service calls old growth any forest land that has not been logged. That means that a natural stand of 1-inch high seedlings would be called old growth under that definition. I don't think that any responsible scientist would agree with that definition. Clearly it overestimates.

An excellent study done by Peter Morrison for the Wilderness Society showed that the Forest Service tended to overestimate how much old growth there is by more than a factor of two when he looked at six national forests.

So one of the reasons for the disparity between the 2.3 million acres or 2.5 million acres, and the more than 6 million acres, is that the geographic area covered is different, and the second is that the definitions are different. The definition I used in this book was put forth by the Old-Growth Definition Task Group, scientists from the Forest Service and the Bureau of Land Management who, in 1986, came up with the only scientifically meaningful definition of old growth that I know of. This is not a definition of what constitutes overmature or senescent timber. This is forest ecosystem that we're talking about. So that's one of the reasons for the disparity in numbers. I'll go with the scientists any time.

Now, one of the things that we hear from Congressman Smith and other people I'd like to address. It's the issue of how much is "locked up" in wilderness. I'd like to quote from my book, if I might. "Although 18 percent of these national forests"—and I'm referring to six national forests, three in western Washington—all three in western Washington—and three in western Oregon—the Mount Hood, Willamette, and the Siskiyou—because those are the forests that were looked at most intensely.

Although 18 percent of these national forests are wilderness, only 21 percent of their wilderness areas is ancient forest. To avoid incurring the timber industry's displeasure, most wilderness areas were carefully configured from scenic subalpine forests, alpine tundra, or rocks and ice rather than from ancient forests. Thus, only 4 percent of the area of these six national forests is protected old growth.

I think throughout the national forests and the Bureau of Land Management lands in the Northwest we will not find figures significantly deviating from this.

Only 4 percent of the area of these six national forests is protected old growth. I think this is an important thing to consider. Most of the wilderness areas that were carved out of in the Pacific Northwest were in land that the timber industry didn't want. That's how they got designated. They evoked no strong objection.

Now I'm going to leave fact, if I might, and venture into opinion and observation. So that will put me on the same standing, I believe, as the other folks who have been giving their opinions.

I think it's important to conserve our ancient forests because they're the finest coniferous forests in the world. That's what ecologists such as Jerry Franklin call them. There are no coniferous forests anywhere with more species of giant trees. I was born in the Eastern United States and we have one species of conifer that reaches 200 feet. In western Washington and western Oregon there are at least 13 species that reach 200 feet, the biggest reaching 385 feet. So this is great land for producing great forests.

The problem is that those forests have been cut to ribbons. Again, I believe that what I have in the book was the most rigorous quantification that anyone has done for any area of the Northwest. It looks only at western Washington and western Oregon. What I found is that at least 87 percent of the original ancient forest has been cut. That leaves 13 percent.

If we're talking about balance, balance to me means roughly 50/50-60/40, I'll give you 60. We passed that point around the year 1950. So we can no longer talk about the issue of balance. That's 40 years ago. Now what we're talking about is what to do with the last bits and pieces.

Gentlemen, although I'm not a professional economist, I do know one rule of economics. When you're exploiting a resource, take the best stuff first whether it's an ore deposit or a forest. The best stuff was taken first. The lowland old growth in the riparian corridors, the riverine corridors, had the biggest trees that were most attractive to the timber industry and the easiest to remove. They are gone now and what's left is the bits and pieces of ancient forest that cling to the high slopes.

I think this is an important issue not only because these forests have incredible wildlife values, scenic values, importance for the timber industry, et cetera, but also because of what they do internationally. The United States, as you all know, has been advocating that other nations conserve their ancient forests, particularly nations in the tropics such as Brazil. We have told Brazil that they need to slow down their logging because they're destroying a world resource of highest importance.

The problem is that the Amazon Basin—which has been 15 percent cut and is being deforested at a rate of about 1 percent a year—is undergoing much less pressure than the forests in the Northwest. In national forests in the Pacific Northwest, the rate of cutting in unprotected old growth is 3 percent a year. On BLM lands it's more than 3 percent a year. The amount that's gone is 87 percent—not 15 percent as in the Amazon Basin.

Moreover, when we tell the Brazilians to stop cutting, understandably they say, "Why don't you stop cutting first? We're a poor nation, a developing nation that wants to become a great power like the United States. You've already had your chance. We want to have ours." So I think one of the most important reasons for conserving our ancient forests is the example that we set worldwide.

There's another reason, too. You've probably been hearing about global warming. Well, the ancient forests in the Northwest store more carbon per acre than any other terrestrial ecosystems in the world, three times as much as the rain forests of the Amazon. If we want to forestall global warming, we shouldn't be just planting new little trees on land that has been laid bare. The most important thing that we can do is to conserve the giant trees that are storing the carbon right now.

In summary, I'd like to say that I've heard a number of legislative proposals. My opinion is a scientifically based one, but it is just an opinion. My opinion is that the protection measures in the Jontz bill are the right way to go. I like something about the Vento bill as well. I think it's really important to note this. There are people who are going to be hurt by the protection of ancient forests. These people are a lot like the spotted owl. They're the victims of more than a century of overcutting. I'm sorry these people are going to be hurt and I'd like the Federal Government to do all that it can to help them make the inevitable transition. The jobs are going to disappear anyway as a result of our logging the last little bits. The question is only whether they'll disappear this year or 10 years from now.

The question we have to face is, what's going to happen when those people no longer have any ancient forests to cut? I hope that we'll have enough second-growth forests to cut. And I hope the

Federal Government will help them make the transition so that they suffer minimally.

Other industries have gone under before. Once, this country hunted great whales. We hunted them to near the point of extinction. The Japanese, Norwegians, and Russians helped us in this process. Then the people of the world rebelled and said, "No more. We can't afford to lose the great whales." Gentlemen, the ancient conifers in the Northwest are the whales of the plant world. They have been cut to near extinction. Once they are gone we will never have them again.

I support the Jontz bill and I support the Vento bill's community protection measures in combination for that reason.

Thank you.

[The prepared statement of Mr. Norse appears at the conclusion of the hearing.]

Mr. OLIN [acting chairman]. Thank you very much. We appreciate your testimony.

I guess I'll call first on the gentleman from Washington.

Mr. MORRISON. Thank you, Mr. Chairman.

Mr. Frampton, I guess I need to get some numbers into the record. You insist that there are gross exaggerations about the projected economic devastations for the region. You cite the Beuter report. Let's make sure that we have these numbers down—the projected 17,700 direct job losses from the Thomas plan and 102,757 job losses counting indirect. Do you have any argument with those numbers?

Mr. FRAMPTON. My understanding is that the report predicts 102,000 direct, indirect, and induced jobs if including jobs due to imposition of the plans that are already final or expected to go final, if you assume that those plans go final and you assume that the Jack Ward Thomas is put into effect on public lands, and you make the further hypothetical assumption—invalid assumption according to Dr. Thomas—that his strategy ought to be implemented on private lands, then you apply to the three direct job numbers that you get from those three assumptions, a multiplier effect for what is called induced jobs—not indirect jobs, but induced jobs. The number that the study comes up with is 102,000.

The number that the study comes up with for the implementation of the Jack Ward Thomas plan on top of plans that would go into effect is about 17,000 direct jobs.

Mr. MORRISON. Those are the figures that I have.

Are you—in the way that you answered the question—indicating that in this plan HCA's will have no impact on private lands? Is the Wilderness Society going to help us in keeping this from happening on private lands?

Mr. FRAMPTON. I'm not familiar at all with the issue of the imposition of that plan on private lands. All I know is that Dr. Thomas and his committee have gone on record in writing, not only in public testimony, but with various of your colleagues in the House, saying that there is no part of the plan to implement it on private lands.

Mr. MORRISON. OK.

Mr. FRAMPTON. I don't know enough about the issue, to tell you the truth, to have a view on it.

Mr. MORRISON. I certainly will agree that there's some uncertainty as to the implications for private land.

Your statement indicates incredible job impact estimates suggesting that between 14,000 and 17,000 direct jobs may be lost over the next 10 years if ancient forests are protected. Do you really mean to say that if ancient forests are protected? You also testified that the HCA's, which come up with this 17,000 figure, are only 30 percent of the ancient forests which you advocate to be saved. There's another 70 percent there somewhere.

Mr. FRAMPTON. Congressman Morrison, the study that the Wilderness Society did assumed that you would protect owl habitat and all of the remaining ancient forests that our study has identified as being ecologically significant, that is, forests that meet the definition developed by the Old-Growth Task Force and the Forest Service scientific station.

All of these estimates are based on choosing a hypothetical sale level. The hypothetical level that the Wilderness Society chose in its study was 2.4 billion board feet on a sustained basis for Forest Service region 6, which we estimated would be possible to sustain and still protect virtually all or all of the remaining ancient forest ecosystem.

Mr. MORRISON. I would just hope that the figures that you utilize in advocating protecting ancient forests don't just include this 17,000 figure because that's not old forests. That's the owl. Of course you advocate overlaying ancient forest protection on top of that. So I think that's an inaccurate statement.

Mr. FRAMPTON. Part of the problem here is that the Jack Ward Thomas strategy contemplates protecting an enormous amount of acreage which is cut over in order to take the largest fragments of old growth that are left and put them together. I think, realistically, if we are going to develop a protective ancient forest reserve system that protects the ecosystem—that means forests for owls and other species and other values—that the Jack Ward Thomas report strategy is going to have to be a starting point.

If we want to add to that many additional isolated groves and tracts of ecologically important old-growth forests, particularly making sure we get what's left of low-elevation forests, there probably are going to have to be some tradeoffs in which we carve away from some of the Jack Ward Thomas HCA's, some cutover lands, to keep in the timber base for mature but not old-growth forests, in order to try to trade them off for existing unprotected old growth that is outside of the Jack Ward Thomas strategy.

Mr. MORRISON. With a resultant——

Mr. FRAMPTON. We all understand that that's probably inevitable.

Mr. MORRISON. I would concur with that. I just need to have you say that that would be with an additional resultant job loss. As you're indicating, just the Jack Ward Thomas plan here is protecting ancient forests. I don't think you mean to say that.

Mr. FRAMPTON. Well, we came at this from a little bit different angle. Our study was done based on a timber harvest level. What I'm saying is that if you assume that you can protect most of the ancient ecosystem and still get 2.3 billion to 2.4 billion board feet

out of region 6 on a sustained basis, that is a job loss in the area of 12,000 to 17,000 jobs over 10 years.

You are correct that if it turned out that—for example, under the Jontz bill, if that were enacted and we had interim protection, and after 3 years a scientific committee developed an ancient forest reserve system that only allowed a sustainable timber harvest out of region 6 of 1.8 billion or 1.9 billion board feet, I think we'd have to do the model again and I suspect that the job loss would be greater than 12,000 to 17,000. They might be 10 percent greater, 20 percent greater—I can't tell you. What I can tell you is that all of these studies are guesstimates. They all use the same models. When you crank in the same set of assumptions, you crank out about the same numbers.

I want to make it clear that I don't mean to be belittling this. I'm not saying that all of these jobs are transferrable. Obviously, jobs are going to be lost in mill-dependent communities and all those people can't go to Seattle or Portland and become computer programmers, bank officers, or get into the tourism business. Obviously something more is needed.

I have been coming up here now for 2 years urging this committee and other committees in the Congress to move forward with economic transition measures, to restrict log exports, to look at job retraining, and to try to think about decoupling payments to States and counties from gross timber harvest levels, since inevitably those levels are coming down. We've been saying this now for several years. These are things that need to be done—needed to be done 2 or 3 years ago—to protect jobs that are going to be lost eventually anyway. Maybe in 10 years instead of 3 years we'll be protecting the ancient forests, but they are jobs that are going to be lost anyway down the road.

Mr. MORRISON. Thank you.

I just have one more question. I guess as a Representative of the area with 40 some counties now with 40 percent unemployment even now, I rebel a little now that you're saying that the region is super strong because there are 160,000 jobs in Portland and Seattle. That doesn't work. And this committee—the subcommittee, and the full Agriculture Committee—has been very, very supportive of the efforts to ease the economic dislocation that is going to exist no matter what happens with my friend Jim Jontz' bill.

Thank you.

Thank you, Mr. Chairman.

Mr. OLIN. Thank you, gentleman.

Let me ask a couple of questions that relate to improving my understanding of what we're working with here.

Mr. NORSE, could you briefly give me this definition of old growth that you were describing earlier?

Mr. NORSE. Yes.

Mr. OLIN. Or do I have to read the whole book?

Mr. NORSE. I would be honored if you did. I'll give you an autographed copy if you'd like.

Mr. OLIN. OK.

Mr. NORSE. The definition that we're talking about is the definition developed by Forest Service and BLM scientists as an official project of the Forest Service. It says that in western Washington

and the northern one-half or two-thirds of western Oregon you need at least eight big conifers more than 32 inches in diameter per acre within a stand, you need an understory of shade-tolerant trees, you need a minimal number—I think it's four—of really big snags—or standing dead trees, because standing dead trees are very, very important structural components of these forests—and you need a minimal number of large downed logs. If you have these characteristics, then that meets the definition of old growth.

Mr. OLIN. How old are the 32-inch trees?

Mr. NORSE. It depends on the fertility of the soil at that site. But typically you get these old-growth characteristics starting to develop on really good sites at 175 or 200 years, on sites that are not so good at about 250. The real old-growth characteristics that we're talking about reach their peak at only about 500 years of age in a forest stand. So it takes a long time for nature to make an old-growth forest.

Mr. OLIN. Somebody said—I'm not sure if it was you—that if we get these all cut down we'll never see them again. I guess you're saying that we won't see them, but if they're left alone, somebody will see them 200 years out.

Mr. NORSE. I would like to believe that is true, but I'm concerned that that won't be true because the Forest Service does not plan and the Bureau of Land Management does not plan to let these trees go back to a state where they're 200 years old. Rotations in the Northwest are typically 50 to 80 years on Federal lands. That means that these trees are going to be reaped in their childhood and are never going to reach adulthood and old age.

Mr. OLIN. I'm aware of that aspect also.

When you say that we're beginning to cut second growth, are you talking about these 50- to 80-year-old trees? Is that what you mean by second growth? Or are you talking about more mature trees than that?

Mr. NORSE. In some places—I believe in southwestern Washington near Gray's Harbor—people actually have cut the second growth and now there is even the beginnings of logging of third growth. This is the area that was logged really early.

Mr. OLIN. The Forest Service has only been involved here for how many years?

Mr. NORSE. Forgive me, sir. This is on private lands.

Mr. OLIN. It's been 70 years, or something like that?

Mr. NORSE. Yes. This is on private land where logging began not long after the California gold rush days. In most cases, on Forest Service lands, logging has happened much more recently, mostly after World War II.

Mr. OLIN. That helps me a little bit.

I'd like to move to the gentleman from Missouri, the chairman of the committee.

Mr. VOLKMER. Yes, I have a couple of questions that I would like to ask George, because something strikes me as not quite fitting in the mathematics. You talk about jobs, loss of timber, replacement of timbers like preventing exports. When you say prevent exports and then we get 16,000 new jobs, are we talking about all exports including private exports?

Mr. FRAMPTON. Yes. Just looking at that 25 to 30 percent of the total regional timber cut that's exported as raw logs, most of which—not all of which—but most of which is from private land. You make the assumption that that much board footage—

Mr. VOLKMER. So you're espousing that we prevent all logs from leaving the United States.

Mr. FRAMPTON. No. In fact, the Wilderness Society developed a proposal that's incorporated in part in Congresswoman Unsoeld's bill. This is a proposal that the Congress authorize the States to impose a log export tax of at least a portion of the differential between what the export market, the Japanese, are paying, and the domestic price which would have two effects. One would be clearly to discourage but not end log exports, second, it would bring a whole lot of money into the Treasury which we proposed be recycled into a trust fund for the States and applied to education and community economic development in mill-dependent communities.

Mr. VOLKMER. When you talk about 16,000 jobs, how much timber are we talking about that we would save and would be milled and processed here in the United States?

Mr. FRAMPTON. That simply assumes that the total export board footage were recycled back into the domestic economy.

Mr. VOLKMER. But how much does that total?

Mr. FRAMPTON. I can't tell you exactly. I had the figure but—

Mr. VOLKMER. That total would have to be almost the same as the total that is going to be reduced because of the spotted owl because you say that all we're going to lose there is 17,000 jobs.

Mr. FRAMPTON. There happens to be—

Mr. VOLKMER. We're going to save 16,000 with the exports, therefore we're going to have about the same amount of timber, and that means that there's not going to be much timber exported. That brings me back to my first question. You're going to talk about over 1 billion board feet easy—3.5 billion or 2 billion board feet.

Mr. FRAMPTON. By coincidence—

Mr. VOLKMER. That's now being exported that won't be exported.

Mr. FRAMPTON. Well, the export is coming from private lands.

Mr. VOLKMER. I know. But you're saying that you want to prevent the export.

Mr. FRAMPTON. I think that it's coincidental that we are exporting about as much timber every year as the total regional timber harvest would be reduced if we were to go to a level that protected all old-growth forests. So, theoretically—of course it's not transferable—but theoretically we could protect all the ancient forests tomorrow, ban log exports from private lands, and there would be no job impact at all from saving the ancient forests. Obviously, these two sets of jobs cannot be correlated perfectly, but the point is that we can save the ancient forests and protect a lot of jobs by cutting back significantly on log exports.

Mr. OLIN. Would the gentleman yield?

Mr. VOLKMER. I'd be happy to yield.

Mr. OLIN. If we prevent the export of logs, then saw it up in the United States, is it your idea that the saw timber could be exported?

Mr. FRAMPTON. Of course.

Mr. OLIN. From the same source, or are we trying to get the domestic market to absorb those?

Mr. FRAMPTON. What we're trying to do is to promote more value added manufacturer.

Mr. OLIN. The question is——

Mr. FRAMPTON. Do we want to export——

Mr. OLIN. Is the market available to take the sawed timbers? It's not currently taking it. In other words, you can't send sawed up logs into Japan, for example. They want rounds.

Mr. FRAMPTON. Well, the market is there. The Japanese want manufactured products. The Japanese Government imposes all kinds off nontariff areas to the importation into Japan of manufactured wood products.

Mr. OLIN. I just raise the question on whether this is really as nice as you say. It's a good suggestion, but it needs to be checked first for practicality.

Mr. FRAMPTON. But the reason to restrict raw log exports is not simply to be exporting those jobs, it's not simply to be exporting finished products to Japan, it's to be making more finished products, more high value products, more jobs and income in Oregon and Washington, whether the finished product is sold to Japan, sold in California, Oregon, New York, or Europe.

Mr. OLIN. For the benefit of the members, this is a quorum call. We're 5 minutes into it. There are still 43 minutes of debate left on the floor on the——

Mr. VOLKMER. We can always come back and finish, but let me ask a quick question just to get off that a little bit because I'm sure there is some disagreement as to whether it would be feasible or not. I'm not going to get into all that on the exports on private lands and private property.

We heard testimony from this morning's panel—and I'm sure you heard it—about the presence of spotted owl in northern California in secondary growth. Does anyone wish to comment on that?

Dr. Norse, I know you may not be able to because your studies are in Oregon and Washington primarily.

George, do you want to comment on that?

Mr. FRAMPTON. I think—we know that spotted owls—Northern California is different. Spotted owls are found in second-growth redwood forests in California to some extent because it has the characteristics of old-growth forests, even though it's second growth forests. That's about the extent of my understanding of this.

Mr. JONTZ. If the gentleman would yield?

Mr. VOLKMER. I'd be happy to yield.

Mr. JONTZ. There is a great deal of scholarship on the spotted owl in northern California. In fact, Humboldt State University was one of the earliest centers for study of the spotted owl. I would recommend that the committee bring out Dr. Gutierrez from Humboldt State who has had quite a bit of experience, as have others, in the program there. I think if you want to get a biological opinion as to what's going on in northern California with spotted owls, then we know where to go to get that information.

Mr. VOLKMER. I agree on that. I don't disagree on that. I was told when I was out there, George, Dr. Norse, that's it not just the second growth of redwoods, but it's also among the white pine and

the ponderosa that they find them also. These are not scientists talking. These were individuals.

Mr. NORSE. I think the opinions of individuals who aren't scientists are important, too, but those individuals may not understand that there is a key distinction that we have to make. Spotted owls can be found in a number of ecosystems, but that doesn't mean that they can maintain viable populations through good times and bad in those ecosystems. It's a very common feature among vertebrate animals, including birds, that after young individuals leave the nest they fan out and they can be found in a wide variety of places. Where they stop is suboptimal the best habitat. That best habitat is in ancient forests, whether it's in western Washington, western Oregon, or California. Some individuals can be found in some suboptimal habitat some time. It's in the same way that you can find a whale stranded on a beach sometime. It is indeed a whale and it's at least alive for a little while. You can find people sleeping on steam grates right here in Washington, DC, but that doesn't mean that they can sustain their lives and sustain viable populations under those circumstances.

Mr. VOLKMER. I have no further questions.

Mr. OLIN. The gentleman from Indiana.

Mr. JONTZ. I thank the chairman. I think we do want to try to finish with this panel.

Mr. OLIN. Go ahead.

Mr. JONTZ. Mr. Johnson, I did not get to hear your testimony, but I have read your statement. It seems to me like the fisheries in the Northwest are part of the equation which we have not addressed very much, perhaps because this committee's jurisdiction is not fisheries, yet the decisions made by this committee impact fisheries. The area that you worked on in 1988 to rehabilitate was an area that had been cut in 1968. Is that correct?

Mr. JOHNSON. That's correct.

Mr. JONTZ. And the damage has still not recovered?

Mr. JOHNSON. Not only has it not recovered, but the reason that the Forest Service is moving into that area at that particular point is because the siltation of some of the log culverts had gotten to the point that they had started washing into the stream. So it was getting to the point where it was going to cause extreme erosion problems.

Mr. JONTZ. What would you say about the fishery resource that you're familiar with in the Northwest over the last 15 years? Is it better, worse, much worse, or about the same?

Mr. JOHNSON. It's worse. Actually, I would say that it's much worse. It's very unpredictable for a variety of reasons from the spawning areas to—

Mr. JONTZ. Does this have economic impact, or is this just a matter of people just looking for a good time on the weekend?

Mr. JOHNSON. I guess that depends on who you talk to. The economic impact is significant in our area. We have a tremendous number of individuals who come into our area for tourist purposes for angling which come from all over the United States. I expect visitors from New York this year. So you can see that it is economically significant.

Mr. JONTZ. I wish we had more time but we better stop at this point because we have a vote.

I thank the gentlemen for testifying. We'll release this panel and will be in temporary recess until we get back from the quorum call. [Recess taken.]

Mr. VOLKMER [resuming chair]. The subcommittee will reconvene.

Our next panel consists of Mr. Steven P. Quarles, general counsel, American Forest Resource Alliance, Washington, DC; and Mr. Kevin P. Kirchner, attorney, Sierra Club Legal Defense Fund, Inc., Washington, DC

We appreciate everybody giving their viewpoint. As a former practicing attorney myself, I know we can agree and not be disagreeable when we disagree. I'm sure you'd never intend to, anyway.

With that, your statements will be made a part of the record at the point at which you testify. So you may either summarize your statement or review in full, however you so desire.

We'll begin with Mr. Quarles.

STATEMENT OF STEVEN P. QUARLES, GENERAL COUNSEL, AMERICAN FOREST RESOURCE ALLIANCE, ACCOMPANIED BY WILLIAM R. MURRAY, COUNSEL

Mr. QUARLES. Thank you, Mr. Chairman.

I appreciate the opportunity of testifying before you today. I am Steve Quarles and I am litigation counsel to the American Forest Resource Alliance located here in Washington, DC. Accompanying me today is Chip Murray, the in-house counsel of the alliance. With your permission, I will submit both Mr. Murray's and my prepared remarks, and abridge my comments.

I will focus my testimony on H.R. 5094, because it is the only bill which provides comprehensive treatment of the manifold problems undermining effective management of the national forests. It is not a parochial bill responding solely to the problems of one region. Nor does it purport to substitute Congress' judgment for the Forest Service's on how the national forests should be run. It is not a set-aside bill. It is, instead, a bill which emphasizes process.

As a lawyer and litigator, I will concentrate on the process-related issues and provisions of H.R. 5094, particularly those concerning administrative and judicial appeals. I begin my remarks by discussing one specific issue, the frequently voiced, but fraudulent, issue of judicial access because it must be addressed and laid to rest at the outset.

I'm sure that members of this subcommittee have heard repeatedly the lament that somehow the administration, industry, and even segments of Congress are all threatening to deprive citizens of their constitutional right of access to the courts, and that H.R. 5094 is a prominent manifestation of this effort. This charge was hurled again today.

This assertion is wrong in several regards. The short answer is that no such right is guaranteed by the Constitution. The Constitution does not accord an automatic right of access to the courts for equitable relief and the Congress may restrict such access. But the

longer and better answer, and the only one relevant to H.R. 5094, is that this threat of denied access to the judicial system is a figment of imagination. H.R. 5094 does not restrict judicial access.

H.R. 5094 does take three steps which those who dwell on the judicial access issue have found alarming. It bars preliminary injunctions. It limits the basis for challenging timber sales and other actions which implement forest plans to whether those actions are inconsistent with the plans. And it prohibits challenges of plan implementing actions on the basis of new information.

Members of the alliance and others most frustrated by the threatened deluge of litigation might have preferred that H.R. 5094 stop right there with those three steps. But the bill does not. And because the bill does not, it cannot be fairly said that H.R. 5094 inhibits litigation or the ability of anyone to seek redress for alleged injuries in the courts.

To the contrary, the bill is aggressively innovative in according full protection to litigants. There can be no doubt that preliminary injunctions are hamstringing forest plan implementation. Preliminary injunctions have prolonged greatly the resolution of the real issues addressed by litigation and thus lengthened the paralysis in forest management. They have compelled the courts to conduct in effect two trials instead of one on each piece of litigation—the first on the injunction motion and the second on the merits. This occurs even if the court declines to issue the injunction. So the issue is not of whether injunctions are in fact ultimately issued. In each and every case that injunctions are sought, you end up with basically two trials.

By barring preliminary injunctions, H.R. 5094 would cut in half the number of judicial hearings required for most national forest lawsuits and permit the courts to move more quickly to resolve the cases on the merits.

Just the same, the reflex reaction of environmentalists and other litigants who oppose timber sales is to argue that without preliminary injunctions their judicial victories would be hollow because the trees would have already been harvested by the time the courts decide. This argument is unfounded, however, because of a creative provision in H.R. 5094. The bill proffers a more certain and complete substitute for the preliminary injunction and one that does not burden the courts.

Instead of preliminary injunctions, the bill mandates automatic statutory stays of the disputed timber sales or other irreversible actions during the course of litigation. Under the bill, those who would otherwise seek preliminary injunctions would obtain the same results without the cost of briefing and court appearances, and do so in every case, not just in those cases in which the judge sees it their way.

But the result for us and the result for the Forest Service and for effective management is that litigation can move much faster to the merits.

Similarly, H.R. 5094 preserves access to the courts even as it adopts plan consistency as the basis for litigation against plan implementing actions and bars challenges on the basis of new information.

Too often timber sales and other implementing actions are challenged on issues that were thought to be resolved in the planning process—issues that were raised and fully addressed in forest plan appeals and lawsuits. It is surely improper, a waste of judicial resources, and destructive of the integrity of forest plans, to permit parties who have lost issues in litigation over plan preparation to litigate the same issues again repeatedly in challenges on implementing actions.

In the same regard, if new information developed after the plan completion calls into question the wisdom of timber sales or other implementing actions, the best way to assure thorough consideration of that new information and its implications for balanced forest management is through a plan amendment and not repetitious lawsuits over each individual implementing action. During a plan amendment, a full array of alternatives can be considered with opportunities for the entire public, not just the litigants, to participate in the process.

Again, however, those who wish to challenge timber sales and other implementing actions on grounds other than inconsistency with the plan will cry foul. They will maintain again that they are barred from the courts and that barring such challenges is to freeze the plan into an inflexible document which cannot respond to newly emerging issues.

This argument is also unfounded, again because of the constructive provisions of H.R. 5094. The bill directs those potential litigants not to challenge the discrete implementing action but to submit instead, to the Secretary of Agriculture, a petition for plan amendment or revision. If the petition is accepted, the litigant will have won a much bigger victory because the new information or issue will be incorporated in the plan governing all actions in the forest. On the other hand, if that petition is denied, the administrative record of the reason for denial will have been made and that decision can be challenged immediately in the courts. Again, access is not restricted.

H.R. 5094 is not intended to reduce the incidence of litigation and erect barriers to the courts. Instead, the bill's purposes are to diminish the fruitless and costly delays which accompany litigation and to channel litigation where its resolution can be implemented most effectively, with the least disruption to ongoing forest management.

There will always be litigation over the management of national forests. The interests of various user groups are simply too diverse and too strongly held to ever achieve a mythical consensus that would force the diminution of forest plans and plan implementation from judicial challenge.

Having said that, it is still possible to better accommodate litigation and to significantly reduce its intrusive effects. H.R. 5094 would accomplish this first by striving to resolve litigable issues administratively; second, by seeking to reduce the principal adverse effect of litigation delays; and third, by seeking to avoid unnecessary litigation by focusing litigation on forest plans and not implementing actions.

By doing this, it ensures that problems are resolved once in the context of the plan to which all future implementing actions must

adhere rather than repeatedly in litigation challenges to contemporaneous or succeeding implementing actions. It also increases the likelihood that the resolution will hold because it will be forged in the more thorough and inclusive planning process with its wide-ranging analysis of alternatives and multiple opportunities for citizen participation.

H.R. 5094 would remedy a profound weakness in the statutory scheme for the national forests. In 1976, with the enactment of the National Forest Management Act, Congress made a fundamental commitment to planning as the principal method for allocating increasingly scarce resources of the national forests. But the job is only half done. The statute is misnamed. It should be titled the National Forest Planning Act. It simply does not address management of national forests. It devotes single-minded attention to the process for preparing, and the contents, of forest plans, and ignores their implementation. Not surprisingly, the agency has followed Congress' lead. Some 26 pages of the Forest Service's rules cover the planning process in detail while exactly one paragraph is devoted to plan implementation.

This lack of statutory guidance or agency direction has gone largely unnoticed for the last decade and a half because plan implementation was not at issue. Only now, with the monumental task of preparing 123 forest plans concluding, is attention drawn increasingly to the importance of plan implementation.

During the course of planning, we have watched projected timber sale volumes drop—sometimes dramatically—from historic levels. We have fought hard in the planning process to ensure a timber supply that will sustain communities and jobs. By any measure, we have not met with resounding success.

However, we thought the worst was over and that, at last, the plans had accommodated the increasing demands for other forest uses and, at least, the reduced sale levels projected in the plans would be met. In short, we believed the congressional commitment to planning and the countless hours and hundreds of millions of dollars spent in preparing forest plans had some value. Tragically, we were wrong.

While the Forest Service pays homage to the plans, those documents bear little or no resemblance to forest management. This failure to implement plans is generating a cynicism which threatens the very principle of forest planning.

H.R. 5094 would remedy this condition. It does not eliminate or alter existing provisions or environmental standards in the National Forest Management Act. Instead, it would simply provide the missing direction on how plans should be implemented.

The American Forest Resource Alliance believes that at this crucial juncture in the history of the national forest system, with impending completion of the forest plans, Congress must finish its work by providing a statutory charter for plan implementation. Because H.R. 5094 would do just that, we urge its enactment.

Thank you for the committee's indulgence.

[The prepared statements of Mr. Quarles and Mr. Murray appear at the conclusion of the hearing.]

Mr. VOLKMER. Thank you, Mr. Quarles.

Mr. Kirchner.

STATEMENT OF KEVIN P. KIRCHNER, STAFF ATTORNEY, SIERRA CLUB LEGAL DEFENSE FUND

Mr. KIRCHNER. Thank you, Mr. Chairman and members of the subcommittee.

My name is Kevin Kirchner and I'm an attorney with the Sierra Club Legal Defense Fund. I appreciate the opportunity to present our views on the pending legislation this afternoon. At the outset, I want to also commend all of you for the time and effort that you've put into this issue. I know it's extremely complex and it's difficult. At times it seems like there's no resolution on the horizon, but I know that you all have put in a lot of time and should be commended for that.

However, we are opposed to H.R. 5094 because it contains numerous provisions that seriously undermine existing environmental laws and unjustifiably interfere with long established judicial and administrative processes.

We are not alone in our opposition to these types of provisions. With your permission, I have three letters that I'd like to have entered into the hearing record. One is from 40 State, local, and national public interest organizations, the second is signed by 71 members of the House of Representatives, and the third is signed by 15 attorneys general from around the country.

Mr. VOLKMER. Without objection, those letters will appear in the record.

Mr. KIRCHNER. Thank you, Mr. Chairman.

Turning to H.R. 5094, under the guise of bringing stability and certainty to national forest planning and management, this bill uses a back-door approach to undermine the National Forest Management Act, the National Environmental Policy Act, the Endangered Species Act, and a host of other environmental laws. I think it's safe to say that this bill would make John Crowell and James Watt very happy campers.

As you know, Mr. Chairman, it's an extremely complex piece of legislation and my written statement describes the legal intricacies in more detail.

Rather than go through those one by one, what I'd like to do is to identify a few of the most objectionable provisions, from our perspective, and then take you through two short hypothetical situations which I think will better illustrate some of the serious problems that H.R. 5094 will create.

The first serious objection that we have is the underlying premise of H.R. 5094 which blames appeals and litigation for forest management problems. That would be like blaming Cassandra for the fall of Troy. These allegations are wholly unsupported by the facts. The stringency of judicial standards for issuing injunctions is evidenced in the fact that only six injunctions have been issued for timber sales in Washington and Oregon since 1984.

In addition, a recent GAO report found that nearly all of the delays of appealed sales in regions 1 and 6 of the Forest Service were due to problems that the Forest Service itself had experienced in conducting its environmental analyses. Only 6 percent of the timber sale volume in those two regions was appealed in fiscal

years 1986 and 1987 and less than 1 percent of the total timber volume was delayed by those appeals.

In addition, George Leonard of the Forest Service testified before this subcommittee in April that the appeals that were coming in under section 318 were not delaying timber sales.

The second provision that's disturbing to us is the one that bans temporary restraining orders and other preliminary injunctive relief. This type of ban opens the door to unfettered logging on national forests across the country, not just in the Northwest, even when that logging violates environmental laws.

A third provision is one that significantly restricts the ability to challenge forest plans for failure to consider new information about the environmental effects of logging and other activities. These provisions eviscerate NEPA by eliminating one of its fundamental requirements which is the continuing duty of the Forest Service to gather and evaluate new information that is relevant to the environmental impacts of its actions. Turning to the hypothetical situations: These cover two of the more common situations in which a challenge to Forest Service activities might arise. The first involves a challenge that would be based on a discovery of new information that is relevant to the environmental effects of Forest Service activities.

Under H.R. 5094, timber sales or other implementing activities could never be challenged for a failure to evaluate new information. Neither could the underlying plan be challenged until after a petitioner had gone to the Forest Service and requested an amendment to the plan.

That sounds well and good, but all during the time that the amendment petition is pending within the agency and while appeals are being exhausted, the Forest Service could continue to carry out its activities even if those activities were in violation of other existing laws.

If the petition for the amendment is denied, as Mr. Quarles pointed out, a lawsuit could be filed and during the first 180 days no irreversible actions could be taken by the Forest Service. But if the court fails to issue a ruling within that 180 days, even if the Constitution requires that the timeframe be extended beyond 180 days, the Forest Service could go ahead and proceed with the logging, again, even if it violates existing laws.

Now, in the event that the court finds that a plan is illegal and enjoins its operation, the Forest Service could still continue logging because under H.R. 5094, the most recent outdated plan automatically kicks in and is insulated from review either within the agency or within the courts.

Thus we're faced with a situation where the only time an environmentally destructive activity can be stopped on the basis of new information is for the first 180 days that a plan is being challenged in the courts. Prior to that, during the administrative appeal process, and after the 180 days has expired, and even after a decision that the existing plan violates the law, logging could continue unchecked.

The second hypothetical involves a challenge to an individual sale that would not be based on new information. Under H.R. 5094 the timber sale could proceed unless the Forest Service decided, at

its own discretion, to issue a stay. Again, as in previous example, no restraining orders or other preliminary relief could be issued by the court.

Now if the sale has not been logged by the time the administrative appeals are exhausted, a lawsuit can be filed, and in this case the Forest Service would be prohibited from taking irreversible actions for 60 days. If the court fails to issue its ruling within the 60-day timeframe, again, even if it's extended because of constitutional requirements, the timber sale could proceed.

So in this instance we're faced with a situation where the only way an illegal timber sale could be stopped would be if you go through the administrative appeals process—and that process is completed before the sale is logged—and if you subsequently prevail on the merits in court within 60 days.

In conclusion, Mr. Chairman, we believe H.R. 5094 uses inaccurate and misleading assumptions as a springboard to undermine the National Environmental Policy Act, the National Forest Management Act, the Endangered Species Act, and other environmental laws. Its provisions that rewrite longstanding rules of administrative and judicial procedure are no more than a thinly veiled attempt to turn our national forests into tree farms by cutting off judicial review of Forest Service activities.

These proposals to provide stability and certainty to national forest management are made at the expense of citizens' rights and dwindling environmental resources. These proposals are all the more disturbing in light of the recent GAO report identifying the Forest Service as the principal cause of any forest management problems.

Thus, the solution is not to cut off citizens' access to the courts, nor is it to skew judicial and administrative processes in favor of the timber industry. Rather, the solution is to enhance the Forest Service's ability to comply with its environmental mandates by providing increased training and funding as necessary to carry them out. I thank you for the opportunity to testify this afternoon and will be happy to answer any questions.

[The prepared statement of Mr. Kirchner appears at the conclusion of the hearing.]

Mr. VOLKMER. Thank you very much.

Does the gentleman from Washington have any questions?

Mr. MORRISON. Mr. Kirchner, in your estimation, has the planning process worked?

Mr. KIRCHNER. I believe it is working.

Mr. MORRISON. You believe it is working.

Mr. KIRCHNER. I don't believe I would argue that it is working perfectly, but I do think it's working as designed.

Mr. MORRISON. I guess what we're searching for in sponsoring the legislation that you've pretty roundly condemned is looking for a way that it works for everyone. That is, to solidify plans, get them in place, and come up with a separate process for amendatory procedures. I guess what I would solicit would be your assistance in making it work better. I think it probably has worked for your purposes because a lot of things have certainly been delayed from the point of view of a district like mine.

Are there positive things that maybe you could add to the mix on making it work even better and avoiding some of what we think—even though you've indicated from your testimony that nothing was held up—I can tell you that my area was certainly held up whether it was by appeals, by administrative woes, or something. Something certainly got in the way of the ability to get the wood.

Mr. KIRCHNER. Congressman, I come back to the GAO report and its focus on the Forest Service and its failure to prepare adequate environmental analyses. I think that's the underlying problem that we're facing here. If the environmental analyses that are prepared are adequate, under existing laws, then there's not going to be a problem in terms of delaying sales either with appeals or with litigation because if they comply with existing laws those appeals will be thrown out and so will the litigation.

Mr. MORRISON. So if you do a full EIS, for instance?

Mr. KIRCHNER. It wouldn't necessarily have to be a full environmental impact statement for an individual sale.

Mr. MORRISON. But that is certainly one place where you have challenged legally the processes?

Mr. KIRCHNER. There are situations where because of either new information or changed circumstances since the adoption of the plan that an environmental impact statement may be warranted, but that's certainly not the rule. The problem is that the environmental analyses are inadequate.

Mr. MORRISON. So as part of the planning process you did this environmental analysis you're interested in, once that's in place, is there some way we can operate under that for a while?

Mr. KIRCHNER. I don't believe—are you suggesting that there would not be an opportunity to challenge the adequacy of the analysis—to appeal and to question whether in fact it's adequate? If it is adequate, then the agency, with its scientific resources and the deference it receives in the courts, will prevail and injunctions are not going to be issued.

Mr. MORRISON. We'd like to design a procedure so that what was done was adequate under the law, it met all the criteria, and everybody was a part of that process determining it. Then once the plan was there, you could proceed under it and have some degree of certainty as to what was going to happen. I think that's what we see.

I know you're very sensitive to what appear to be restrictions, although I think Mr. Quarles in his testimony has tried to allay some of those fears. We want people to be participants, help reach a plan, and here's what we're going to do. Everybody is part of that. Then we don't allow the sort of frivolous sort of things that seem to be creeping in now and stopping so many of the actions.

Mr. KIRCHNER. I think your intentions are good. I would question the characterization as frivolous. I know the Sierra Club Legal Defense Fund has been in existence for 20 years and we don't believe that we've ever filed a frivolous lawsuit. We certainly have never been sanctioned—

Mr. MORRISON. I wasn't pointing directly at you. It was the process that I question.

Mr. KIRCHNER. I understand that. I believe that the process is working as it was designed to work. The plans are not designed to be blueprints that govern all activities during the next 10- to 15-

year period. I think it puts an enormous and inappropriate burden on the participants in the planning process to be prescient enough to identify all of the issues that may arise during the next 10 to 15 years. But if we go through a process that locks that plan into place, that's just what we're doing.

Mr. MORRISON. Thank you. I've used my time.

Mr. VOLKMER. The gentleman from Virginia.

Mr. OLIN. Thank you, Mr. Chairman.

I'd like to just ask you the same thing over again. Why is it illogical—and in your mind improper—if we go through a planning process, take plenty of time to write the plan, there's full participation from everybody, we finally agree on the plan—be it 1 year, 5 years, or whatever, some finite period of time—and in our complex society we then put some barriers in the way of unlimited appeals and challenges to that plan for a period of time so that we can function? Why is that so illogical?

Mr. KIRCHNER. It's illogical because forest plans are designed to be general statements of policy and direction and not blueprints for all forest activities. They should be designed that way because there are too many circumstances that would change over the life of the plan and they need to be flexible enough to take those into consideration.

Mr. OLIN. Isn't it reasonable to expect that the Forest Service or any agency must stop in its tracks at the request of any individual citizen because that citizen has an objection to something that is happening?

Mr. KIRCHNER. That would be unreasonable.

Mr. OLIN. Is it logical to put some limits on that?

Mr. KIRCHNER. I think it would be unreasonable if that were the case, but there is no evidence from the Forest Service or from the General Accounting Office that that is the case.

Mr. OLIN. I guess some of us that have had experience with particular forests have certainly seen that to be the case. People in the West feel that's the case. They're in a straitjacket. They're not in a position to carry out the plans that everyone agreed should be carried out.

This bill that you're objecting to sets up some barriers to appeals—not all barriers. It's been said that this is not something that denies judicial access, but it does place some limitations. In your opinion, is that going to be found to be illegal or unconstitutional?

Mr. KIRCHNER. No, I don't believe that it will be.

Mr. OLIN. You don't think it will be.

Mr. KIRCHNER. No, I believe that Congress has the authority to impose such restrictions, but I believe that it's wrong and unwarranted in this case. Normally those kinds of restrictions are imposed in situations where there's a war, a national emergency, a national security question, or similar types of cases. I don't believe that this situation warrants it.

Mr. OLIN. This is just a simple matter of managing the forests without at every turn being impeded. It makes sense. It seems to me that within the rules that are suggested, in between the 10-year period, there are certain elements that can be appealed and ques-

tioned. But this does not seem to be illogical. You're not making a very convincing argument, at least to me.

Mr. KIRCHNER. I believe it's illogical, Congressman, because while it does allow some access to the courts, by and large it allows all kinds of activities to continue without challenge or without the possibility of being stopped while the administrative appeal is taking place.

Mr. OLIN. I think it allows activities that are contrary to the plan to be stopped.

Mr. KIRCHNER. There's no provision in H.R. 5094 that would allow those activities that are inconsistent with the plan to be stopped unless ordered by the court or during the first fixed period after a lawsuit is filed which varies depending on whether its a challenge to an implementing activity or to a plan.

Mr. OLIN. I thank you for your comments. I don't think I agree with them.

Mr. VOLKMER. The gentleman from Oregon.

Mr. SMITH. Thank you, Mr. Chairman.

Mr. Kirchner, I sometimes wish that the Sierra Club could act independently of all your neighbors in the environmental community. You associate yourself with several others, including all the national organizations and the ONRC in Oregon which has been the most active front on the question of appeals. Because of your unit-rule system—which I understand—sometimes you're drug into this. But I don't mean to divide you from your colleagues in my questions because I think in many cases the Sierra Club may be the most responsible organization of all of them that I know, especially compared to the ONRC.

You go to great lengths in your statement to indicate that of all of the legislation that you had quoted, there had only been six injunctions, trying to minimize, I think, by your statement, the intercession of what has been the forest plans and the movement of timber to market. Well, the facts are that while injunctions may be limited, appeals have been rampant. In fact, there are several forests in Oregon where every sale has been appealed, as you well know.

I listen to you quote George Leonard, but the facts are that you are a part of a lawsuit right now in Oregon on the Mapleton, which would hold up 176 million board feet. But yet you said you quoted Mr. Leonard by saying that the lawsuits are not endangering section 318.

Mr. KIRCHNER. I said that he testified that administrative appeals were not holding up timber sales.

Mr. SMITH. That administrative appeals were not—however, not lawsuits?

Mr. KIRCHNER. He did not testify to that.

Mr. SMITH. I know he didn't. As a matter of fact, my information is that there are about 400 million more board feet that may be coming under appeal, likely by your organization, in the very near future.

Mr. KIRCHNER. In the *Mapleton* case, Congressman, the plaintiffs prevailed on the merits of that case in 1984. They prevailed on the merits in 1984 and an injunction was issued which was to remain in effect until the Forest Service completed its plan for that forest

and submitted the portions for the Mapleton district to the court for review. That is still pending.

Mr. SMITH. All right. I don't want to argue the merits of the *Mapleton* case. I just want to make the point that your organization is involved in lawsuits at this present time which will not allow section 318 to gain its mark of 7.7 billion board feet. That's my point. Do you agree with that?

Mr. KIRCHNER. Yes, there have been two lawsuits that have been filed.

Mr. SMITH. And there may be several more depending on what occurs, obviously. My information is that there's about 400 million or 500 million board feet that may be susceptible to your appeals between now and October 1.

Mr. KIRCHNER. I don't have that information. I can't comment on that because I don't have that information.

Mr. SMITH. You'll get it soon I'm sure.

I guess my question to you is simply, if you oppose the bill that tries to expedite the appeals process—and I notice that you quote the Trial Lawyers Association. I don't blame them at all. That's good business for trial lawyers. We want lawsuits everywhere we can find them. But if you oppose any kind of an expedited appeal system, then I guess the question is, what do you propose that could get us out of this stalemate of forest planning, millions of dollars of taxpayer's money—your's by the way, you're a taxpayer—being expended, and then to be thwarted at the last minute of the last day after 1 year or so of planning where there's been no opposition, suddenly at the last second, the ONRC, supported by you because of your unit-rule system, appeals on—I'm calling it frivolous, you may call it anything you want—obviously many of them are frivolous because they've all been thrown out with the exception of six injunctions. How do we do this positively in a manner that you can support?

Mr. KIRCHNER. Congressman, I guess I have to come back again to the same point that I raised earlier. That is that I don't believe that the injunctions themselves are the problem. The problem is that the Forest Service is not complying with the laws. These are good laws. We're talking about laws that provide clean water for urban and rural communities, laws that prevent species from going extinct, and laws that provide for a sound logical planning process to consider new information as it arises.

Mr. SMITH. What you're saying is that the process is perfect. You don't want to change the process. The problem is the Forest Service.

Mr. KIRCHNER. I think if the Forest Service were complying with existing laws we wouldn't be here today.

Mr. SMITH. My colleagues all tell me we ought to get rid of Dale Robertson because he's the problem and that he's not carrying out Forest Service policy. He's not following section 318 and the very Congress that strapped the Forest Service in policy is not allowing him to operate section 318 as directed by the Congress.

So we go round and round chasing the tail of this whole thing. I guess I don't accept that because I'm really trying to find a way through this malaise and you're saying it's merely an administrative agency. I just don't think you can verify that. I just think it's

wrong. I'd like for you to come forward because I think you're a responsible man and you represent a responsible agency.

We're not going to settle this today, but I would hope that you would be part of the solution. But right now, I think you're part of the problem—pardon me. And you may wish to comment on that.

Mr. KIRCHNER. I don't believe I'm part of the problem.

Mr. SMITH. Of course you don't.

Mr. KIRCHNER. I believe that our position has been validated—the position that we took in the spotted owl listing case, and the position that we took both in the Forest Service and BLM cases which led to section 318. I believe the Thomas report validated our position. And I believe the listing by the Fish and Wildlife Service of the spotted owl as a threatened species also validated our position in those cases.

Mr. SMITH. Well, this Jack Ward Thomas report is not itself valid. So I don't think it validated your position.

Mr. KIRCHNER. Jack Ward Thomas I believe stated that the Forest Service SOHA plan was a blueprint for disaster. I think that's in substantial agreement with the position we had in the litigation.

Mr. VOLKMER. We're going to have to conclude because we have a vote on. We're down to about 4 minutes.

We'll conclude this panel and when we return—we may have another vote right after this vote. It depends on the outcome of this vote. If we do have a subsequent vote, we'll stay for that and then come back and conclude the hearing with Mr. Sampson. Either way we should be back in another 20 to 25 minutes or less.

Thank you very much.

Mr. KIRCHNER. Thank you, Mr. Chairman.

[Recess taken.]

Mr. VOLKMER. The subcommittee will resume our sitting.

Our final witness will be Mr. Neil Sampson, executive vice president, American Forestry Association, Washington, DC.

Neil, it's good to see you again. I appreciate you being here and taking your time today to wait around. Talk to us about this.

STATEMENT OF R. NEIL SAMPSON, EXECUTIVE VICE PRESIDENT, AMERICAN FORESTRY ASSOCIATION

Mr. SAMPSON. Thank you for taking the time to hear us out and for the four of you running back from that vote to hear me.

Mr. VOLKMER. Are you concerned? Would you like to know the outcome?

Mr. SAMPSON. Yes, tell us the outcome.

Mr. VOLKMER. The Gingrich vote went down, the reprimand goes up. It ends up with a reprimand.

Go ahead.

Mr. SAMPSON. Well, that's unfortunate, but that's the way the world works these days, isn't it?

Mr. Chairman, we are pleased to be here today. We were here May 10 testifying before this subcommittee and two others that were working on the old-growth issue. I've tried to limit my testimony to the old-growth dilemma today.

You have six bills on your list. It looks like three are aimed at the old-growth situation and one, H.R. 5094, is aimed at the forest plan implementation process, and there are others. We will not comment in writing on H.R. 5094 today. We have several people studying it. Conceptually we think it contains some things that need to be a part of the process and we commend the sponsors for starting to take a look at these types of options.

Making the plan implementation process a little more predictable, a little less subject to assault, and a little better is an important thing for all of us. I listened to these arguments about the process today with some concern because I fear that we argue too much about process and whether the agency comported itself with the letter of the law. I'm afraid, Mr. Chairman, that most of the real arguments are about outcomes. Process seems to be a lever in which we can affect outcomes. Your attempt to find a way to make that process less vulnerable to arbitrary leverage, so that we do talk about outcomes, make agreements, and then move ahead, is commendable.

I commend you on that. We will be back to you later with some constructive input on H.R. 5094 and the concepts.

Mr. VOLKMER. I'd appreciate receiving your written comments on that.

Mr. SAMPSON. Thank you very much.

We agree, however, with the distinguished Senator from Oregon that H.R. 5094 did not address the old-growth issue, which is obviously intertwined very tightly with forest plan implementation in the West. Old growth and owls and forest plans and everything all go together.

We've looked at the three bills which do take a look at the old growth issue and the spotted owl situation. We're in sympathy with Mr. DeFazio and his idea that the administration's agencies ought to be bringing more options, but we're not so sure that's a solution in the immediate future. I guess you'll get a chance to test that idea in September, when the administration brings it promised report on the subject.

We took a very close look at H.R. 4492, sponsored by Mr. Jontz of this committee, and H.R. 5295, as drafted by Mr. Vento of the House Interior Committee. Our testimony today suggests that the process outlined in the Vento bill is a preferable one in our view. There are several reasons for this.

I respect the distinguished member of this committee for the work that he's done in trying to establish a process to deal with the old growth situation, but I am—and our members are, I think—very reluctant to think about legislating more and more restrictions on the national forest landscape in this Congress. We are creating an "in and out" system out there. Foresters can work in this area, but have to stay out of that area.

Unfortunately, that is compartmentalizing the forest system in ways that create land management problems, reduce economic outputs, and exacerbate environmental problems in both the "in" and "out" lands.

As a result, we support a process that integrates the old-growth situation into the existing forest plan. At our last meeting you and I had a discourse about not delaying the forest planning process.

Let me be very clear about the fact that we don't want to stop the train of the forest plans until we can get this old-growth solution on board.

The question is, how can we integrate a solution so that old growth and its considerations become a regular part of planning and so that we can learn as science improves and as we learn how to manage old growth as a productive and constructive part of the managed forest?

I cannot help but think, Mr. Chairman, when I look at a proposal to legislate the definitions of old growth, and its lines and boundaries, how grateful I am that we did not do that in 1980. Think of how far we've come in our understanding of old-growth ecosystems and their values, both economic and environmental. If we had locked 1980 concepts into law, we'd be up here spending all our political capital trying to undo what Congress had done.

Our preference is that we let the managing agencies manage and the Congress provide policy and oversight. We think that many of the suggestions in Mr. Vento's bill are very helpful in this regard. We're convinced that the 3-year timeframe to complete the old-growth inventory and get old-growth sites located is minimal. I don't see how they can do it any sooner than that.

To establish an interim way so that timber outputs are more predictable is needed, as well. Harvest levels are never going to reach the high levels proposed by the industry, nor the low levels proposed by the environmentalists, but at least they can be made more predictable. One of the things that we've been hearing from all over is that predictability has a significant value of its own if we can achieve it.

The Scientific Advisory Committee proposed in the Vento bill is important, but Congress must be very careful to keep it both scientific and advisory. We shouldn't look to scientists for final decisions, or for a veto. Responsible scientists don't want to be made into a scientific version of the God committee. They want their information to be heard and considered by decisionmakers who, in this case, are rightly the Secretaries in charge of the management of those public lands, under the oversight of the Congress.

We are encouraged by the attention given in Mr. Vento's bill to incorporating new forestry practices in the old-growth areas outside of the designated reserves. We hope some day to put new forestry practices inside those reserves, too. I think that has to be the hope of all of us. But first foresters have to gain credibility by demonstrating that they can produce old growth on a sustainable basis with an acceptable environmental outcome.

Mr. Chairman, I would close my remarks by saying that we also believe that Congress must make some attempt to help the communities and people of that region in this transition period, which is going to be difficult under any of the options we've seen. I don't know that the approaches Mr. Vento proposes at this time are the right ones, but we commend him for searching for options and hope that you will join him in that search.

Investments in resource productivity on both the Federal and the non-Federal lands in that region will lead us closer to the goal of a sustainable economic situation instead of farther away. Some of the suggestions that he's made are positive in that regard.

It's our hope that we can use the bills that you have in front of you, in light of a public context which seems to be getting tired of the fighting and looking for the solution, to hammer out a final process which both helps us implement the forest plans in a rational way and provides for an old-growth resolution that both meets the needs in the short term of the spotted owl and in the long run of those communities and citizens.

I appreciate the chance to come before you and will be happy to try to respond to any questions that you may have.

[The prepared statement of Mr. Sampson appears at the conclusion of the hearing.]

Mr. VOLKMER. I thank you very much, Neil.

You made a statement that I would like to agree with. It's been my philosophy and I think the gentleman from Oregon and everybody. You said something about the old-growth sustainable yield. Now when you listen to other witnesses and other people, they say that once you cut the tree down you never replace it.

You and I know that the trees will continue to grow and they will be here 500 years from now. Hopefully in 1,000 years we'll still have trees. And those trees may start now or may start 100 years from now or maybe are 200 years old now.

Mr. SAMPSON. We think that. We also think that public policy should be made for the citizens 100 years from now and that they, too, will want to enjoy those old-growth products—not all of which are timber. Some old-growth products are as small as mushrooms and there are a lot of economically important products in between.

Mr. VOLKMER. Right.

Mr. SAMPSON. We believe all these economic products from the old-growth system need to remain available into the future.

I would hasten to point out, however, that our view of 10 years ago—that the old-growth inventory was just a convenient place to get the timber harvest while we were waiting for the second growth to get big enough to cut—is not publicly acceptable. We're going to have to do a better job than just liquidating it in a couple more decades.

Mr. VOLKMER. Another comment I'd like to make is that at least it appears to me that the question of the spotted owl is merely a subterfuge and is really a vehicle that's being used to prevent the cutting of old growth.

We have the proposals and we look at all these ancient forests and ecosystem bases. I'm sure that somewhere down the line in another year, 2 years, 3 years, 4 years, someone is going to say from the other side that that's still not sufficient and that there are other things that we must consider.

Mr. SAMPSON. Mr. Chairman, the owl has one advantage. It sits at the top of the food chain out there. If you'll recall, it was peregrine falcons, pelicans, and other similar placed species that triggered us to some environmental changes 20 years ago. The raptors that sit at the top of the food chain give strong signals about the health of the whole system. The owl is a good indicator of the health of the old-growth forest. I agree with you that it's been misused. The problem is not owls, the problem is forests. The problem is forest management—at least that's our view.

Mr. VOLKMER. The gentleman from Washington.

Mr. MORRISON. Mr. Chairman, you sort of were hitting on the same thing that I had in mind in my question for Neil.

Maybe the final answer for this dilemma that we face involves not only considerations for the owl but blending into the process some consideration for old-growth trees. I guess I'd feel more comfortable in doing that if I thought that was the end of the chain of events, if you will, that would take more and more land out of the farm—the sustained yield, the proper silviculture, which your association stands so enthusiastically behind.

Do you think that's it if in fact you protect that ecosystem.

Mr. SAMPSON. This American system never quite ever gets to final resolution on any question, does it? I'm afraid that science is always hard pressed to suggest that they've learned the final answer. The truth is, we're always learning as we're going.

My comment to the chairman was meant to indicate that the owl was a very different kind of species, because of its place in the ecosystem, than the furbish lousewort with which we dealt in Maine, or the snail darter. This is an important indicator species. There are many species under that critter that will show stress later if we abuse the forest. The owl is a good surrogate for them. But solving the owl problem is no guarantee that we won't have some other crisis later. But this isn't a bad indicator to base decisions upon.

Mr. MORRISON. That is helpful. We may well be headed in that direction. I would rather have a process that works so that we can finally get out of the woods on this and what we see as a continuing series of issues.

Mr. SAMPSON. A lot of the folks we represent would like to get out of the courts and into the woods, Mr. Morrison.

Mr. MORRISON. Thank you.

Mr. VOLKMER. The gentleman from Virginia.

Mr. OLIN. I don't have any questions, Neil, but I must say that you didn't talk for a very long time or say too much, but what you did say I thought was pretty balanced and all constructive. I'm looking forward to reading the rest of what you had to say in your document.

I appreciate you coming and helping us out.

Mr. SAMPSON. Thank you very much, sir.

Mr. VOLKMER. The gentleman from Oregon.

Mr. SMITH. Thank you, Mr. Chairman.

I wanted to ask you about your preference for the Vento legislation which you said you prefer.

Mr. SAMPSON. Yes.

Mr. SMITH. The Vento legislation sets aside about 6.3 million acres of land in region 6 for primary protection of the owl. Do you support that portion of the bill?

Mr. SAMPSON. We're not stuck on that number yet. We've not worked as hard with that as we can. We think that the chances are that the Congress probably ought to set a target for the agencies to shoot at. We were convinced that it was in the right direction when that number was allowed to overlay the already set-aside lands—the wilderness lands and the other lands that are set-aside. We are, after all, looking at ecosystems and not prior designations.

We were also supportive of the concept that as it touched the commercial timberland stands, it includes areas already logged,

with the long-term goal to begin to manage those on an old-growth basis. But the point is that this was not an attempt to go draw lines around every acre of trees regardless of whether they had a chance to operate in the old-growth system, but rather to look at the systems. We've supported that concept.

Mr. SMITH. Let me ask you about drawing lines because I've been involved with a person you may know, Dr. Burnham—Boise, Idaho, the Raptor Center, the president who was successful in breeding in captivity peregrine falcons, who has written me saying that there is no question that we can breed spotted owls in captivity—has offered to enter into a program and breed 200 pairs of owls for \$1.5 million in the next 3 years if we need them.

There have been indications that the Jack Ward Thomas report is not complete. Nobody's attacking the science, but for instance, there are some different interpretations about the HCA's which could change radically the ASQ. There is a question about the model that was faulty that may have been an interpretation much different than Jack Ward Thomas made of that model, because it was faulty. There is continuing science being accumulated daily in northern California, as you know, about the owl.

My problem is that if we draw hard lines around the system, we don't allow for the flexibility of ongoing science. Could you comment on that?

Mr. SAMPSON. I'd like to respond in two ways. One, is that I spent 5 years in Boise and during that time helped to set up the Raptor Refuge idea. I'm very familiar with most of the people involved there. I'm also familiar with the fact that, at that time, we had a different problem. We were trying to rescue peregrines from the edge of extinction for very different reasons. This time I still come back to insist that the problem is not owls. If we needed owls, the people at Boise could breed a ton of them. We need ecosystems which support owls. The owl's only an indicator. That's how it gets to be used wrong.

As to the computer models, the models are always flawed. Models, no matter where you pick them up, can be attacked as being an illusory oversimplification of reality. I think we're aware of that.

You got to the very point I was trying to make, however. If we can allow the agencies to set those areas up on the basis of the best science and public debate that we can get, but make them part of the planning process so that we can revisit them—that is the best process. I don't think we'll get them right the first time. We need to retain flexibility—learn as we go.

Mr. SMITH. Pardon me, I thought you said that Congress should set—

Mr. SAMPSON. No. I said that that was the difference that I had with the bill sponsored by the gentleman from Indiana. I really do believe that those designations ought to be management designations within the forest plans so that they can react to future science. That's the process that we have tried to support.

We've tried to search for a way to not have to stop the planning process for another 3 years so that we could get those old-growth management lines on the map. That's been the big dilemma that's bothered a lot of us.

Mr. SMITH. The facts are, however, that the owl—although it's an indicator species, as you pointed out—has and is a national problem perceived by the American public. If there were a way to perpetuate the owl, in the perception of the American public, would that be beneficial?

Mr. SAMPSON. Well, we could also state that the owl is the problem in terms of the Endangered Species Act and the sort of legislative and legal strictures that can come into play as a result. But I think that if word got out that our strategy was to perpetuate owls in cages as opposed to owls in forests, the public perception—and perhaps rightly—might change very quickly.

Mr. SMITH. Mr. Sampson, as you well know, having worked in the Raptor Center, the purpose is to make sure that the owl can live in his wild environment, even though he may be bred in captivity.

Mr. SAMPSON. The goal, certainly, is to release them, but you have to have a place to release them into.

Mr. SMITH. Sure. And the ongoing science, and the biologists that I've talked to tell me that we can introduce owls in areas where there are no owls that have a habitat and the cover and the food process chain that there are no owls there now.

We can introduce owls, for instance, in wilderness areas, areas already set aside, thereby relieving, hopefully, some of the problems that we have on the remaining 47 percent of the land available for harvest.

Mr. SAMPSON. Mr. Smith, I don't want to argue with you about all of this. But I've released a few raptors and let me tell you, there are very few niches open for owls in the ecosystems out there. If there's a mountaintop somewhere that doesn't have owls, it has eagles, peregrine falcons, and hawks that take a very dim view of some dumb little owl that comes bumbling around trying to figure where home is.

I've released a few of those birds and I'm simply here to say that the basic ecosystem dynamics are that, if there are places out there that are suited for owls, there are probably owls there already. That's probably why they're finding owls in second-growth timber when they actually look hard.

But the chances of introducing them as a foreign species somewhere where they're not today is pretty restricted.

Mr. SMITH. I can only quote to you from Dr. Burnham. Do you know Dr. Burnham?

Mr. SAMPSON. Yes.

Mr. SMITH. I can only quote to you his analysis of this thing. This is all experimental in nature and as a matter of fact, there are two occasions where owls have bred in houses built for owls, one in northern California and the other in southern Oregon. So there are ways that are possible.

Mr. SAMPSON. There are a lot of ways to do that. I'm just suggesting that turning them loose and establishing wild populations is a slightly different problem. And I know that we don't want to argue that point.

Mr. SMITH. I guess finally I come back to the point that we haven't explored all the opportunities and alternatives that Jack

Ward Thomas is not a model coming down from Moses. That's not the end of the process, it's the beginning of the process.

Mr. SAMPSON. And don't you think they'd be the first to say that? I think so. I think you're right.

Mr. SMITH. And we ought to have the flexibility in the policy of the Congress that recognizes that science is ongoing.

Mr. SAMPSON. I couldn't agree more.

Mr. VOLKMER. The gentleman from Indiana.

Mr. JONTZ. I've finally caught up to you today, Neil. I'm sad that I wasn't present for your testimony on Tuesday.

Let me ask this question. What do you understand the present state of knowledge to be with regard to the role that ancient forests or old growth might play as the genetic reservoir for the maintenance of forested areas that may be harvested that are adjacent to ancient forests? Is that a subject that you have any acquaintance with?

Mr. SAMPSON. A little. If I followed your question correctly, my sense is that we just have the corner of the blanket sort of tipped up and we're peeking underneath. I don't think the state of knowledge is exceptionally rich.

I also don't think it's as limited as some people suggest. I've jumped up on a hump to try to catch a look at a deer getting away and then discovered that I was standing on an old stump. That's happened to me in Oregon and northern Idaho. There are lands out there that have been logged that will absolutely confound you to learn that they are anything but pristine. I think we need to take full advantage of the acceleration in interest in science and exactly what you're saying, and provide ourselves a process—which I think is what your colleague from the State of Oregon was talking about—so that we take advantage of new learning as we go.

Our organization's goal is to prevent the national forest system from being carved up into areas on the basis that the only two options available are to preserve or destroy the forest. We really think we have to use that science to find ways to manage forest areas better because we don't see any way for that system to meet future needs without good management.

Is that responsive, or did I miss the point of your question?

Mr. JONTZ. Well, it certainly is responsive. I guess I'm just curious. It's not an issue that this committee has specifically looked at. But the impression that I have is that the role of areas which may be providing some genetic base have a direct impact not just on what happens within that system, but beyond.

In a way, I'm reinforcing your point, but perhaps might lead us to a somewhat different conclusion. I guess what I'm saying is that I think it would be wise for us to understand how viable, functioning, ecological systems in the ancient forests may impact on the sustainability of the resource which is harvested.

Mr. SAMPSON. There's never been any doubt of that in my mind, Mr. Jontz. One of the reasons why we've suggested a much more intense look at the research forests and the old-growth forests is to do just that. I think our goal is to find ways to manage forests so that we do not violate the biological diversity.

That hasn't always been done. To do that you have to know what the biological diversity in the ancient forest is, and that takes a lot of—

Mr. JONTZ. And how these processes work, which we really don't know a lot about.

Mr. SAMPSON. That's right.

Mr. JONTZ. That's the problem. We're engaging in a very large scale silvicultural experiment without really very much perspective over time as to how these systems function. Some of us have more confidence than others, I guess, for the results.

I appreciate your answer. I'm unfortunately going to have to excuse myself in order to get to another committee. Maybe we can resume the conservation some other time.

Mr. SAMPSON. Let me just point out that there are trees out there 10 times older than the entire science of silviculture. So those of us who deal with this know that we're in an experiment, and yet we think that an experiment with the best of intentions and good science is better than just an experiment.

Mr. JONTZ. I really appreciate your point. Thank you very much.

Mr. VOLKMER. Neil, the question that the gentleman from Indiana brought up intrigued me just like some questions last week when we were talking about the RPA. When we get in to the biological diversity and what's going on in the Northwest in Oregon, Washington, and northern California, and I see the attempts here to bring forward the ancient growth, save this spotted owl, let's save—I'm sure—the mice and everything else that the spotted owl feed on—the gentleman from Indiana said last week about the insects and how we need to study those and everything.

Biological diversity is a matter that is changing and exists all over the United States. It exists in West Virginia. It exists in Maryland. It exists in Indiana. It exists in Missouri. Are we going to say that we're going to continue to keep and try to attempt to keep the same biological diversity that we presently have in the United States throughout the history of mankind?

Mr. SAMPSON. Well, there are a couple of answers to that, if you'd allow me, Mr. Chairman.

Mr. VOLKMER. I'll allow you because that's what bothers me about that. Where are we going?

Mr. SAMPSON. I think there's a difference between trying to retain all biological diversity in the country and trying to use the public lands as one of the reservoirs for the remaining biological diversity.

We clearly change this country and will continue to change it. You can't put our type of development and civilization in a place without changing everything. The biological diversity is part of that change.

But it seems to me that one of the goals of the public lands, in addition to producing commodities and other outputs, is to try to retain some of that natural diversity. I think our debate is about how much we should attempt to protect. I don't think 100 percent is feasible. We didn't do a very good job on the American chestnut, and we could not have done a very good job if this Congress had enacted a law against chestnut blight. Chestnut was one of the

largest biomass species East of the Mississippi River. It is, for all practical purposes, gone.

One of the other large ones was the passenger pigeon. It is gone, too.

So, no, we're not very successful in retaining biological diversity. On the other hand, it's useful to understand the value of biological diversity. The inner bark of the Pacific yew is now beginning to be seriously tested as a cancer cure. The doctors I've talked to suggest that if the testing works out right, there isn't enough Pacific yew in the Western States to produce the bark that will be needed. Anybody that's ever faced a Pacific yew as it lay across a fire trail that he was supposed to be cutting with an axe knows that thinking that tree was a valuable species was probably the farthest thought from his mind. Yet, it may well turn out to be.

I think the point in biological diversity is not to punt away any more of those opportunities than we have to. We have a conservation of biological diversity mission on the public lands—not a preservation or a freezing of biological diversity, which we all know is impossible, but a conservation goal.

Mr. VOLKMER. As we look at the question of biological diversity and as we look at mankind, at least I have come to the conclusion that as mankind continues on this Earth, you're going to continue to see a change in the biology of this Earth. Do you agree with that?

Mr. SAMPSON. Well, there are 5.3 billion of us on the face of the Earth today, they tell us. Talk about a one-time experiment. When we get this much human activity, we're displacing species all over the place.

The question that we ask ourselves is, how are we going to minimize that disruption so that we don't destroy the basic biological functioning of the Earth? If you disturb too greatly all those little ghoulies that we all don't see and don't appreciate very well—microbes, fungus, and other bacteria—they may stop supporting food crops and trees and other things in ways that seriously affect us. Those are not worthless species. They are an integral part of growing forests and crops.

So it's important that we try to recognize and conserve that. But again, you're exactly right. We cannot be what we are today—5.3 billion humans—without replacing other biology. We are, after all, part of that biology.

Mr. VOLKMER. And surely we don't expect that the Earth and the people who reside here to be the same and to be doing the same and living the same type of life and doing the same things 100 years from now as we're doing now.

Mr. SAMPSON. Mr. Chairman, you're into some fairly deep philosophy here. I went out and spent a little bit of time in West Africa and I saw people doing things not a lot different than they've been doing them for 10,000 years. I found that a little hard to comprehend, being raised in this country and seeing the enormous changes here. You and I have seen the population of the world double since we've been alive.

Mr. VOLKMER. That's right.

Mr. SAMPSON. So it's clear that things change very greatly.

I think from a standpoint of land management, again—public land management—there is a public goal in attempting to conserve, retain, and understand what we're doing as much as possible. I think the lessons that come off of that public land experiment are important for private land management and for the success of all species as we know them.

So it's a balancing act, as I view it.

Mr. VOLKMER. I'm going to conclude on this statement so that you have some idea where I'm coming from. I personally agree with some of your statements. But I don't see where the end of the passenger pigeon has really hurt the United States. I don't see where the end of the American chestnut has really hurt the United States. Do you understand where I'm coming from?

Mr. SAMPSON. Yes.

Mr. VOLKMER. Therefore, I've come to the conclusion, if for some reason or another—disease or what have you—in the spotted owl and every one of them died tomorrow and there weren't any more come Saturday, I don't think that life in the Northwest would change appreciably. Would you like to comment on that?

Mr. SAMPSON. I can only make one response. It would depend on the reason. If the owls died because—

Mr. VOLKMER. They all got a disease and died overnight, every one of them.

Mr. SAMPSON. It wouldn't change things. But if they died out because the ecosystems that supported them were in fundamental decline, we ought to be concerned because that forest is a fundamental economic and environmental base out there. If they died out because they were sick, I wouldn't get any more concerned than you. That's why I contend that the problem is forests and not owls. I've tried to say that all along.

Mr. VOLKMER. Right.

Mr. MORRISON. Mr. Chairman, just to piggyback on your points—in one instance, Neil, you've indicated—and we have a great respect for you—with public lands we have to be extremely cautious and we should know everything before we make changes. Our problem is that public lands are not equally divided. The gentleman from Indiana is doing a great job of putting heat on my State with over 20 percent public Federal lands. And of course it has a dramatic impact on my constituency and that of my colleague Mr. Smith, and none in Indiana.

Well, that's just a point. There's no answer to that.

Mr. SAMPSON. Mr. Morrison, if I might, please don't quote me as saying that we need to know everything before we act. I hope that we learn as much as we're able. Second, I'm an Idahoan and I understand your public lands concerns.

Mr. MORRISON. Thank you.

Mr. VOLKMER. And, Mr. Sampson, I will say this. I wish we still had the passenger pigeon and the American chestnut. But I don't think it's an end to the world and mankind.

Mr. VOLKMER. All right, Mr. Smith.

Mr. SMITH. You're a fascinating philosopher, Mr. Sampson, so I want to ask you a philosophical question. We've talked, and you've talked, a good deal about biodiversity and I think you stated that we ought to be able to find a balance between biodiversity and

opportunity for livelihood. Having said that, which species of the animal kingdom or bird life should go before man's livelihood goes?

Mr. SAMPSON. That's sort of a God question, isn't it? That gets almost beyond philosophy. [Laughter.]

Mr. VOLKMER. That's beyond philosophy.

Mr. SAMPSON. I'm only able to give you one response. We find almost everywhere in the world that diverse ecosystems are more stable, more productive, and more economically productive to people than narrowly based ecosystems. Narrow ecosystems are often more productive in the short term. One species can be adapted to a site, fertilized, accelerated, and made more productive, but it's less stable. If we do economics in terms of multigenerational effects, and look for maximizing profit to people over the long run—I'm talking about economic profit—almost always you find that the more stable, productive, diverse ecosystems are the most profitable. Now that's just philosophy. I simply wouldn't say that we ought to play off pigeons against buffalos or coyotes against something else. I don't play that game.

Mr. SMITH. I'm thinking about birds against people.

Mr. SAMPSON. I think that the birds against people construct is a phony way to frame this issue. I think healthy productive forests are absolutely essential for the jobs in your State. I roamed those hills around Medford and Jacksonville and I think I understand a little bit about what they need, and what the people need as well.

Mr. SMITH. Mr. Sampson, the reality is, as you well know, we're facing huge layoffs from 50,000 to 100,000 people and it's being done on the surrogate—and the chairman is exactly right—of the owl, and yet we're finding owls in second growth. Therefore the biodiversity may be in second-growth forests. Now, are we going to sacrifice all those people because somebody believes they only live in old growth and that's the only biodiversity we have? If owls live in second growth, maybe the underlying species are there as well.

Mr. SAMPSON. I guess I have a fundamental problem. I don't believe the job loss forecasts, and I don't believe the owl forecasts either. I have a terrible problem with both those numbers. But I still think that if we don't solve this forest problem you'll be back in this room beating on another witness talking about some other species versus jobs before too many months. Congress' challenge is to solve the problem keeping those forests as productive as we can and as contributory as we can to your local economy as well as your environment.

That's why I have come to you and suggested that we look for process and try to hammer out a compromise that works.

Mr. SMITH. Thank you.

Mr. VOLKMER. If there are no further questions, thank you very much, Neil.

Mr. SAMPSON. Thank you, Mr. Chairman.

Mr. VOLKMER. That will conclude the hearing.

[Whereupon, at 4 p.m., the subcommittee was adjourned, subject to the call of the Chair.]

[Material submitted for inclusion in the record follows:]

Statement of the Honorable Peter A. DeFazio
Hearings of the Subcommittee on Forests, Family Farms and Energy
July 26, 1990

Mr. Chairman, my bill, H.R. 5116, provides direction to the Secretaries of Agriculture and Interior to attempt to find legal alternatives to the spotted owl conservation strategy of the Interagency Scientific Committee.

I have to admit that my bill shouldn't be necessary. The agencies have ample authority to attempt alternative strategies that mitigate economic impacts and better protect sensitive areas. Because the Forest Service has stated an intent to accept the ISC recommendations without question, I concluded that Congress should make certain that other options are explored.

My bill identifies three specific options that the agencies should try. The first is an attempt to configure the Habitat Conservation Areas established by the Thomas Committee so that impacts are minimized on public timber dependent communities. Douglas County, Oregon, for example, has far more public timber in its overall land base than counties elsewhere in the spotted owl range. Reductions of public timber sales will have a dramatically greater proportionate impact there than elsewhere.

The bill directs an attempt to use alternative forestry as a spotted owl conservation strategy. This direction is meant to determine whether there is some potential in logging methods that preserve diverse stand structure.

My third approach is to determine whether timber sale levels can be reduced at a gradual rate, thereby avoiding an immediate "timber shock" from a suddenly reduced sale level.

Additionally, my bill invites interested parties, including the timber industry and the environmental groups, to prepare alternatives of their own for presentation to the Fish and Wildlife Service.

All of these alternatives are to be submitted to the Fish and Wildlife Service in full accordance with the consultation provisions of the Endangered Species Act. This is in no way an abrogation of that Act. Instead, it is a reasonable approach that makes certain that no options are overlooked. I think it is an extremely useful interim step and, frankly, one the Administration should take without direction from the Congress.

TESTIMONY FOR DAN TOMASCHESKI

on H.R. 5094
to facilitate the implementation of forest plans,
and H.R.4492
to provide for the protection of the remaining ancient forests

Thank you, Mr. Chairman. I am Dan Tomascheski, Vice-President, Resources for Sierra Pacific Industries, headquartered in Redding, California. We are a family-owned business that manages our own timberlands in northern California, much of it in the Mt. Shasta area. However, we depend on timber from eight national forests to supply much of our raw material needs. Our mills purchase timber from the Six Rivers, Klamath, Shasta-Trinity, Mendocino, Modoc, Lassen, Plumas, Tahoe and Inyo National Forests. All but one of these forests are named in Congressman Jontz's Ancient Forest Protection Act of 1990. Seven of our mills are in rural communities that are dependent upon National Forest outputs.

SPI has actively participated in the development of the national forest plans in California for many years now, and we have reluctantly concluded that the planning process cannot work -- forest plans in the west cannot be implemented, and the direction laid out in the National Forest Management Act cannot be followed -- without further direction from Congress.

H.R. 5094, the National Forest Plan Implementation Act,

provides a good start towards resolving some of the most difficult problems, but more is needed. The bill does offer some essential provisions to ensure that, once plans are completed, the goals, objectives and outputs of each forest plan may be achieved.

The Ancient Forest Protection Act (H.R. 4492), on the other hand, proposes to circumvent the forest planning process entirely and prescribes negligent non-management practices which would damage the very forests the bill is designed to protect. As you are aware, California is currently in the middle of the fourth consecutive year of drought. Vast areas of our forests have already been killed by indigenous pests -- the western pine beetle and pine engraver beetle have been particularly damaging -- and more damage is expected throughout the summer and fall. As trees continue to die, the fire hazard increases dramatically. This is a grave concern to land managers and the public, given California's fire ecology and history of recurrent catastrophic wildfires.

Yet H.R. 4492 explicitly prohibits any activities -- either prevention or control measures -- on lands designated (or, prior to designation, those lands which qualify for designation) as "ancient forests" to prevent excessive damage by native insects, plants or diseases. (Sec. 4(d)). The Ancient Forest "Protection" Act further orders the Secretaries of Agriculture

and Interior not to undertake any fire suppression activity within a unit of the system "except where necessary to protect human life or property within any such unit or immediately adjacent to it." If agency management policies for the Wilderness System are any indication, "loss of property" will not mean loss of trees. I am afraid we are only inviting another catastrophe on the scale of the Yellowstone fires, and we will lose both our "ancient" forests and our younger forests as well. All of California's forestlands will be at risk.

In the Lake Tahoe Basin, for example, bark beetle infestations are so severe today that one third of the trees in the basin will be dead by summer's end. There is very a serious potential for fire and windthrow damage, and the health of the remaining trees will be threatened. A wildfire in this area would be devastating, particularly given the high density of recreational use in the basin, and the uniqueness of this natural wonder.

The issue -- how to manage the national forests of the West -- is still best addressed through the forest planning process, with its deficiencies corrected by legislation such as H.R. 5094, not through prescriptive legislation such as H.R. 4492.

For the 18 national forests in Region 5, ten forest plans have been finalized. All are under appeal. In addition, three

forests (the Shasta-Trinity, Six Rivers and Mendocino) are currently revising their draft plans to address the June 22 decision by the Fish and Wildlife Service to list the Northern Spotted Owl, and two forests (the Stanislaus and Klamath) are revising draft plans because of extensive damage done by wildfires in 1987. Only two more forests have any hope of completing their final plans this year.

In the case of the three northern owl forests, we agree with the Regional Forester's decision to revise the draft plans in order to consider the substantial changes in management that may be required now that the Northern Spotted Owl is a listed species. By contrast, I understand that the Forest Service in Region 6 is deliberately moving forward with final plans with blatant disregard to the recent action of the Fish and Wildlife Service. This action demonstrates the lack of -- and need for -- national direction on process for dealing with critical issues such as the listing of an endangered species.

Although the Forest Service is required to implement its final plans unless they are stayed or enjoined, I am not optimistic that the plans can be fully implemented without some essential amendments to the National Forest Management Act. Changes are needed to resolve the following problems:

1. Plan-implementing project decisions are frequently appealed, effectively precluding implementation of a

forest plan. In many cases the project appeals challenge the very same issues raised in the plan appeals.

2. The Forest Service continues to adopt significant policy changes with complete disregard to the planning process at the national and regional level. For example, last year Regional Forester Paul Barker adopted an "environmental agenda" which would substantially change silvicultural practices on the national forests in California without either (1) determining whether the program could be implemented under the forest plans now in place; (2) analyzing the environmental effects of the policy; or (3) determining the impacts of the policy on the achievement of other planned goals. This action ignores and undermines the entire planning process in which the Agency and the public have invested so much time and money, and arguably it is in violation of the law. I can best describe this action as policy-making by press release.
3. The recent listing of the Northern Spotted Owl will result in requirements for new protection measures which were not addressed or analyzed in the forest plans but which will have a very significant impact on the ability of each forest to achieve the goals and objectives adopted in the final forest plans.
4. Nationwide, the Forest Service has spent 14 years and over \$210 million to develop the first round of land and resource management plans. Region 5 has completed only half of its plans. All of the time and effort expended to date - by both the Agency and the public - has resulted only in the need to do further analysis with no end in sight. To implement its plans, the Forest Service must prepare lengthy, detailed project analyses to address the site-specific impacts of the proposed projects.
5. The national forests plans have already reduced -- and under current procedures will further reduce -- the federal land base available for timber production in California. New land allocations and changing priorities in management direction will cause sharp reductions in the allowable sale quantity for the region. Additional requirements for endangered and sensitive species which have not yet been fully analyzed in the plans will require further reductions in timber supply. Yet the process does not provide any means to mitigate the impacts of such decisions on dependent communities, or provide an orderly mechanism for implementation of the changes in direction as they

are approved. Nor does it require reanalyzing land allocations or management prescriptions to attempt to mitigate the effects of these additional requirements.

The National Forest Plan Implementation Act offers a solution, at least in part, for each of these problems.

I. First, H.R. 5094 would reestablish the forest plans as decision documents.

After an investment of more than 14 years and hundreds of millions of dollars in the forest planning process, the Forest Service must now find a way to implement its plans -- to meet its commitment to the public -- without rewriting the forest plan for every project decision or defending against the same attacks brought again by plaintiffs, over and over, at each decision level.

Sec. 306 of the bill provides essential direction which should enable the Forest Service to do more than plan and analyze forever. After completion of a forest plan environmental impact statement (EIS), many forests have conducted lengthy, duplicative analyses for single projects designed to implement the plan. For example, the Plumas National Forest is currently working on environmental assessments to salvage timber killed by forest fires last year. By the time the documents are completed and the decisions are approved, more timber will be killed by the pine

beetle and much of the previously salvageable material will have lost its value. It is likely salvage won't actually begin until the 1991 season, if all goes well, and if appeals and litigation cause further delays, little salvage may occur at all. Yet salvage is a necessary activity called for in the forest plan.

Currently, the Agency's direction for meeting the requirements of the National Environmental Policy Act (NEPA) is vague, at best. There is little guidance to assist forest officers in deciding whether an EIS is needed or an environmental assessment (EA) is appropriate. Too often, Forest Service officers have either been unable to defend their decision to prepare an EA when challenged, or they have gone to extreme lengths, preparing environmental documents that revisit decisions made in the forest plan.

The Council on Environmental Quality sought to avoid this costly duplication of effort under NEPA by providing a process to tier subsequent decisions and analyses to the broader programmatic EIS. Sec. 306 appropriately recognizes that the tiering direction must now be strengthened. It would clarify for agency decision-makers what type of environmental document is needed to support implementing decisions, and would clarify that the project analysis includes those site-specific effects that were not analyzed in the over-riding forest plan.

In addition, national and regional direction must be implemented through the forest planning process. In particular, when new national or regional guidance will preclude implementation of decisions previously made in a forest plan, the forest plan should govern until it is amended. This change is paramount if we are to see forest plans in the West implemented. We commend the authors of H.R. 5094 for recognizing this need in their legislation.

Sections 102 and 105 would provide needed direction for adoption of regional guidance into a forest plan. Currently, the Forest Service believes it can issue new direction, such as Regional Forester Paul Barker's recent environmental agenda policy, without going through the planning process.

The Region 5 Environmental Agenda will preclude the use of clearcutting methods on 70 percent of the area harvested on national forest lands in California. This policy will certainly preclude the agency's ability to meet planned outputs on the national forests; it was made without public involvement; and it was adopted without any analysis of the impacts of the decision on either the environment or the ability to achieve the goals of the forest plans. This cavalier refusal to follow statutory and regulatory requirements must be stopped. Since the Agency shows no indications of doing so itself, Congress must step in.

- II. Second, a well-defined process is needed by which the Forest Service should incorporate changes in law into forest plans.

New requirements for protection of endangered species must be incorporated in forest plans and put into action through the NFMA planning process. As you are well aware, the entire Pacific Northwest faces a great deal of uncertainty at the present time as to how our forests will be managed to protect the spotted owl. The Forest Service has estimated the listing of the Northern Spotted Owl will result in harvest reductions of 35 percent on national forest lands in Region 5, and the State of California estimates harvests from private lands will be reduced by 50 percent under the emergency rule just adopted by the California Board of Forestry.

Section 103 of H.R. 5094 would ensure that management changes, including protection measures for the owl, would be addressed in a plan amendment or revision, and that the environmental analysis for the amendment or revision consider other changes in land use or management in order to meet as closely as possible other plan goals and outputs. We cannot continue to be victims in this subtractive process of overlaying new restrictions on old without reanalyzing opportunities to mitigate the new restrictions. Without such a provision, many opportunities to otherwise meet plan objectives may be foregone.

This provision again emphasizes the importance of decisions. Too often, the Forest Service treats the plan as a romance novel. The bill recognizes that changes may be necessary but tells the Forest Service that the change may only be accomplished in a formal manner with full public participation.

III. Project appeals effectively -- but inappropriately -- prevent implementation of forest plan decisions.

Sec. 201 and Title III of H.R. 5095 are necessary to ensure an orderly and cost-effective process for the handling of appeals and litigation. Currently, the appeal and litigation process is so lengthy that it may be years before a final decision is made and approved. In the case of a decision to salvage timber, by the time the appeals are resolved, the timber has lost its value, as I have already described. Then when the appeal is ultimately upheld under appeal, the decision is moot and cannot be implemented. Other witnesses will discuss in greater detail the problems associated with appeals and the opportunities to resolve them through adoption of the proposed amendments to NFMA contained in this bill.

VI. Finally, the current forest planning process inadequately addresses the effects of planning decisions on dependent communities.

Section 101 of H.R.5094 would require the Forest Service to

examine the impacts of forest plan alternatives on dependent communities and to consider the impacts in the selection of a preferred alternative. In addition, the Section 104 requirement to more completely analyze the costs of forest plan alternatives would provide better consideration of the true benefits and costs of an alternative -- both for the dependent community and the public at large.

Section 105(d), establishing a minimum management goal for timber products, and Section 106, requiring certification and monitoring of implementing actions to ensure that the actions remain consistent with plan goals, would reassure dependent communities that the Agency intends to meet its commitments made in the forest plans. Sadly, our mill communities have little trust in the Agency's commitment to fulfill plan goals today.

Finally, Section 107 provides a phase-in process for implementation of reductions in commodity outputs. This provision is essential, given the dramatic reductions in timber outputs we are facing, to allow time for businesses and communities to adjust to the reduced availability of timber.

V. Conclusion.

The land management planning process has effectively come to a halt in California, with five draft plans currently under

revision, and with project appeals preventing the implementation of those plans that have been completed. The National Forest Management Act has never adequately addressed how plans should be implemented once they are in place, and the plan must become a more effective decision-making document from which to tier project decisions. It is now time for Congress to remedy these shortcomings. H.R. 5094 provides much-needed direction in this regard.

Sierra Pacific Industries strongly supports the National Forest Plan Implementation Act's attempt to correct procedural flaws in the forest planning process. The bill's amendments to NFMA are urgently needed to:

- (1) achieve results from the forest planning process, after 14 years and hundreds of millions of dollars have been invested by the Forest Service and the public;
- (2) provide certainty that the goals, objectives and outputs specified in the forest plans can be achieved;
- (3) ensure that changes in direction are made through the planning process and analysed to ensure that effects on other decisions are minimized, and;
- (4) provide for continued public involvement in the planning process in a fair, efficient, and orderly manner.

H.R. 5094 does not, however, address the unprecedented degree of change we face immediately due to the listing of the Northern Spotted Owl. We hope that the administration will develop a constructive solution that will provide a balance between the protection of the owl and the needs of our communities. In turn, the solution must then be incorporated in the National Forest Plan Implementation Act to assure that management for the owl will be addressed through the forest planning process.

By contrast, H.R. 4492 severely diminishes the value of the forest planning process by designating -- with complete disregard to the analysis and decision-making process for each affected national forest -- what lands should be managed for specific uses. Even the Wilderness Act is not implemented in such a broad-brush and cavalier manner. Further, Rep. Jontz's bill could do great damage to our forests through neglect, by prohibiting necessary pest control and fire management activities, and it completely ignores the benefits from forest management to all forest resources. This bill would start the Agency on another round of ineffective plan revisions, with no certainty that the process would achieve closure of any sort. For all of these reasons, Sierra Pacific Industries strongly opposes the Ancient Forest Protection Act.

I thank you for the opportunity to testify.

(Attachment follows:)

**SOCIAL AND ECONOMIC IMPACTS IN WASHINGTON, OREGON AND CALIFORNIA
ASSOCIATED WITH IMPLEMENTING
THE CONSERVATION STRATEGY FOR THE NORTHERN SPOTTED OML: AN OVERVIEW**

by

Dr. John H. Beuter

July 9, 1990

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EXECUTIVE SUMMARY

This overview is a synthesis of research by a team of economic, social, and forestry scientists who cooperated in a project to study economic impacts, and social and cultural implications of implementing the conservation strategy for the northern spotted owl that was recently proposed by a Federal interagency scientific committee (ISC) (Thomas et al 1990).

Included on the team for this project are Dr. Wilbur Maki and Douglas Olson of the University of Minnesota who analyzed the economic impacts of implementing the owl conservation strategy in the three-state owl region of Washington, Oregon and northern California (Fig. 1), Dr. J. Keith Gilles of the University of California who did a separate analysis of the economic impacts for northern California, Dr. Paul Polsin of the University of Montana who analyzed factors related to the location of secondary wood-processing manufacturing, Dr. Robert Lee of the University of Washington who analyzed social and cultural implications of the conservation strategy, Mark Rasmussen of Timber Data Company, Eugene, Oregon, who analyzed the timber harvest impacts of the conservation strategy, Dr. John Beuter of Mason, Bruce & Girard, Inc., Portland, Oregon, who planned and coordinated the project, and Dr. Con Schallau of the American Forest Resource Alliance, Washington, DC, who was the liaison for the sponsoring organization.

Summary Of Procedure and Findings

For the economic analyses, the period 1983-1987 was chosen as representative of the recent past, what people are used to in the way of wood products-based economic activity. Three scenarios were studied for the period 1991-2000:

1. What would likely have happened without the ISC strategy?
2. What would happen if the ISC strategy were implemented on public lands only?
3. What would happen if the ISC strategy were implemented on both public and private lands?

Without The ISC Strategy

Harvest reductions were already anticipated throughout the three-state owl region even before the ISC conservation strategy was proposed. This was based on projections of the likely outcome of planning for Federal forests, and evaluation of the possibilities on private lands given the timber inventories available, and the anticipated policies and actions of landowners. The reduction in annual harvest during 1991-2000 for the three-state region as a whole was anticipated to be 14 percent compared to the 1983-1987 average (Table 1). Associated with the harvest reduction was an expected loss of about 19,800 jobs in the timber industry, of which about 4,400 would have been lost because of technological change, even without reduced harvesting (Table 4). Total job loss throughout the economy was estimated at 44,500, with a loss of about \$1.2 billion in annual income (Table 8).

With The ISC Strategy On Public Lands Only

If the ISC strategy were implemented on public lands, and private owners harvested at the projected "before ISC strategy" levels during 1991-2000, the loss of jobs in the timber industry in the three-state owl region, compared to 1983-1987, would be 36,630 (Table 5), an additional 17,133 lost jobs compared to what would have been likely for 1991-2000 "without the ISC strategy." Total job losses throughout the regional economy during 1991-2000, compared to 1983-1987, would number 84,757 (Table 5), an additional 40,321 jobs lost compared to "without the ISC strategy" (Table 7). Regional income would decline by \$2.2 billion compared to 1983-1987, or an additional \$1.0 billion due to the implementation of the ISC strategy on public lands.

With The ISC Strategy On Both Public and Private Lands

If the ISC strategy were implemented on both public and private lands, 63,700 timber industry jobs would be lost during 1991-2000 compared to 1983-1987 (Table 6), an addition of 44,256 lost jobs compared to what would have been likely "without the ISC strategy." Total job losses throughout the regional economy, compared to 1983-1987, would number 147,193 (Table 6), an additional 102,757 jobs lost compared to "without the ISC strategy" (Table 7).

Regional income would decline by \$3.8 billion compared to 1983-1987, or an additional \$2.6 billion due to the implementation of the ISC strategy on both public and private lands.

Other Economic Impacts

The tables in this report show employment and income impacts for individual states, regions and economic areas, as well as separating out the influence of the metropolitan areas. Details about tax effects and the components of changes in income and gross state product are included in reports by Olson (1990) and Gilless (1990) available from the American Forest Resource Alliance (AFRA). Also available from AFRA is a report by Rasmussen (1990) detailing how the harvest impacts for this project were determined.

Polzin (1990) studied factors related to the location of wood products manufacturing facilities and determined that proximity to market is of more importance in the location of secondary wood processing than proximity to raw material. This is because much secondary manufacturing adds bulk and finish which makes packaging and shipping more expensive. In many cases it is cheaper to ship raw material to secondary wood-product manufacturing facilities closer to markets, e.g. Los Angeles or Chicago.

Increasing secondary wood-products manufacturing has been suggested as a means of recovering employment and income lost to the owl conservation strategy in the rural areas of Washington, Oregon and California. Polzin's findings suggest that such a strategy will not be easy to implement, if even feasible. Polzin's report is available from AFRA.

Social and Cultural Implications

Lee (1990) studied timber-dependent communities, and assessed the implications of sudden harvest reductions on the well-being of the communities and the people who reside in them. He cites an increase in cynicism fostered by perceived shifts from the promises of community-based planning (the Federal forest plans), to top-down direction implied by the conservation strategy that seemingly invalidates the time, effort and trust put into the Federal forest

planning process. Such cynicism could result in socially undesirable management on private forest lands and destructive behavior on public lands.

With regard to human and community impacts, Lee cautions that human adjustments to sudden job loss are far more complex in timber-dependent communities than many assume because of strong cultural ties to the relatively isolated communities and way of life. The problem goes beyond mere loss of a job to a clash of values between outsiders and those who have a heritage of making their living in the woods.

Lee acknowledges a need for changes in forest management practices to better accommodate non-timber forest uses and environmental values, however, he believes that greater sensitivity to the potential disruption of human lives is needed before deciding what should be done, and how it should be implemented. Lee's paper is available from AFRA.

(The complete report is held in the committee files.)

STATEMENT FOR THE RECORD

OF

JUDY ERICKSON

ALLIANCE COORDINATOR

LAKE STATES FORESTRY ALLIANCE

Good morning, Mr. Chairman. I am Judy Erickson, Alliance Coordinator for the Lake States Forestry Alliance. The Alliance is a three-state organization established by the Governors of Michigan, Minnesota, and Wisconsin in 1987 to bring together people with differing values relating to the management of the region's forests. Our programs, activities, and membership are designed to bring together all forest interests -- industry, federal, state, and local government agencies, private landowners and conservationists -- to insure that forest resources will be available for present and future generations.

I appreciate the opportunity to testify today on H.R. 5094, a bill which would help to ensure that national forest land and resource management plans could be implemented. In the Lake States, the forest plans for our seven national forest planning units were completed in 1986. All were appealed. In 1988, over half of the 39 forest plan appeals were still pending. Today, in the fifth year of the ten-year planning period, all but one of the original appeals has finally been resolved -- a most impressive achievement, I am sure you will agree. Yet the Forest Service is still having a great deal of difficulty implementing its plans. I would like to describe our situation for you more specifically, and point out how H.R. 5094 could improve the process in the Lake States.

- I. Plan implementation procedures have not been effective throughout the Lake States.

The forests in the Lake States region are young and are still recovering from heavy cutting and fires which occurred during the late 1800s and early 1900s. Yet today, our forests are valued and used for many purposes, including recreation, fish and wildlife management, watershed protection, and the production of solid wood and pulp and paper products. The national forest plans developed under the National Forest Management Act of 1976 are required to address all of these resource uses in an integrated manner. Decisions regarding how the forests should be managed are made -- and, when necessary, adjusted -- through the plan amendment and/or appeal processes. The resolution of appeals results (or will result) in subsequent plan amendments which, once adopted, will govern the future management of the applicable national forest.

Because of the requirements of many laws applicable to national forest management -- including the Multiple Use Sustained Yield Act of 1960, the National Environmental Policy Act of 1969 (NEPA), the Renewable Resource Planning Act of 1974, the National Forest Management Act of 1976 (NFMA), and the Endangered Species Act of 1973 -- and continually evolving direction for implementation of these laws through decisions on administrative appeals and litigation, the Forest Service in Region 9 is attempting to manage its lands, after completion of the land and resource management plans, with a second-level

analysis and decision-making process known as opportunity area analysis. This OAA process is used to identify and evaluate, at the site-specific level, proposed actions needed to carry out the direction in the forest plans. I said "attempting to manage" because, while this process sounds well-intentioned and appropriate, in actuality, the Forest Service has had a great deal of trouble implementing the forest plans on some forests in the region.

For example, in 1987 and 1988, the Chequamegon National Forest completed a series of seven opportunity area analyses for a portion of the forest. These analyses cumulatively resulted in a shortfall of timber outputs to be produced from the areas as compared to those predicted in the forest plan, and increases in other outputs such as campground and trail construction and streambank improvements. If the trend began with the analyses for the first seven opportunity areas were to continue for each area on the forest, some outputs would exceed plan goals for the planning period, while achievement of others would have been precluded. Section 106 of H.R. 5094 would require the Forest Service to determine whether the plan goals would be precluded by implementation of the activities scheduled in the opportunity areas, and if so, amend the plan or adjust the implementation activities to restore plan consistency.

- II. A process is needed by which the Forest Service can continue to manage the National forests while appeals are pending.

As I mentioned, every forest plan in the Lake States was appealed. It took over three years for the Chief to issue a decision on the appeals for most of the plans. In the meantime, the Forest Service was required to implement those provisions of each plan that were not stayed by the Chief. To implement the plans, the Forest Service issued site-specific decisions covering each project or set of projects needed to implement the plans. Yet many of these implementing decisions were also appealed. Many project decisions were stayed or withdrawn by the Forest Service. On the Nicolet National Forest in Wisconsin, for example, this was a recurring event which resulted in essentially no new decisions to sell timber over the course of about three years. Without any approved decisions to sell timber over such a long period of time, the Nicolet National Forest effectively depleted its timber sale pipeline -- that volume of timber in various stages of preparation for sale that is needed to meet the annual targets set by the appropriations process and the objectives of the forest plan.

On the Superior National Forest in Northern Minnesota, as another example, wildlife biologists recommended clearcutting in aspen forests to provide essential habitat for prey species on which the timber wolf--a threatened species like the spotted owl--depends. Currently the Superior forest plan is under litigation because of below-cost sales, and the plaintiffs have requested a reduction in the planned timber sale levels. Until

the litigation is resolved, the Forest Service faces the possibility of court-ordered forest management, and the wolf the possibility of reduced food supplies.

The Lake States Forestry Alliance has repeatedly stated its support of the full implementation of forest plans. The planning process established by the NFMA offers numerous opportunities for the public to participate in the decision-making process, from the development of a draft plan, to comments on the published draft and its evolution to a final plan, to the administrative appeal and court challenge of decisions made in the final plan. Yet I do not believe Congress intended, when it passed NFMA, that the public involvement process should grind operations of a forest unit to a complete halt. When an activity on the forest - - whether it be timber harvesting or recreation development --is appealed, the Forest Service must have the authority to manage the national forest lands. I would suggest that the subcommittees allow the forest to be managed in these instances under the old approved plan until the issues are resolved.

H.R. 5094 offers a solution to this problem, but only when a plan is enjoined by court order. Under Section 201 of the bill, when a plan or portion thereof is enjoined, "the management of the unit shall continue under the immediately previous final version of that plan." I suggest this provision be expanded to apply to administrative appeals as well as litigation. The Forest Service would then be able to operate under a previously

operative and approved plan while the pending appeal is resolved.

III. Changing legal standards and administrative direction regarding plan implementation have resulted in an inefficient and costly process for making site-specific decisions.

The "opportunity area analysis" process for implementing the forest plans which I mentioned previously is a process by which the Forest Service determines how it will meet the various objectives of its ten-year forest plans over a shorter period of time -- generally limited to five years. Under this process, the Forest Service initiates an analysis for a project (or set of related projects) under the forest plan. However, in an attempt to make a broad analysis which may respond to evolving legal standards and administrative direction for NEPA compliance the Agency too often begins by asking the public, "we are going to implement the forest plan on this piece of ground -- what do you want us to do?" This broadly stated question improperly leads to a new analysis that reconsiders many decisions -- such as land allocation and use decisions -- which were previously decided in the forest plan.

The project-level NEPA analyses should be tiered to the broader land management plan. Accordingly, the more appropriate question to ask at the project level is this:

"The forest plan requires us to do certain things on this piece of ground -- provide recreation opportunities and

manage the timber resource under certain guidelines, for example. How do you want us to do it?"

Sec. 306 of the bill would clarify the NEPA requirements on tiering for environmental impact statements accompanying a forest plan and site-specific or project-specific environmental assessments for decision to implement the plan.

This important provision makes clear that the project-level analyses should not revisit decisions made in the forest plan and analyzed in the plan EIS. Rather, a project analysis (documented in an environmental assessment) must consider the specific environmental effects that were not analyzed in the forest plan EIS that would occur if the project activity is undertaken. The focus for analysis at the project level must be narrowed in this way in order for the Forest Service to climb out of the endless NEPA analysis "do-loop" it is now in, with little time, energy, or money left after planning to apply to plan implementation and monitoring. This would also ensure more efficient and effective expenditure of federal dollars in a time of continued federal budget crisis.

- IV. Sections 106 and 308, if enacted, would provide greater assurance that plans could be implemented, and would identify more clearly what shortfalls will occur as a result of the annual budget process.

The Lake States Forestry Alliance has consistently called for Congress and the Forest Service to fully fund and implement

the national forest plans. The plans are the result of many years of work -- by the Forest Service, other government agencies, including our state departments of natural resources, and the public. The final result represents a "covenant with the public to produce a set of goals and outputs from the national forests," as Assistant Secretary of Agriculture George Dunlop stated in 1988.

Section 308 of H.R. 5094 would add to NFMA a requirement that annual budget requests to Congress shall include a statement identifying the amount of funding necessary to implement 100 percent of the annual outputs called for in each forest plan. This is a much-needed amendment. While funding for Forest Service recreation and wildlife management programs has increased greatly since the forest plans took effect, many programs continue to be incompletely funded, precluding full accomplishment of forest plan goals. Currently, the shortfall is difficult to determine -- especially on a forest-by-forest basis. By identifying the full funding needs for each forest, the Agency and Congress will know more clearly when opportunities may be foregone under a specific budget level.

While this provision is most helpful, the subcommittee should take two additional steps to better address the issue of funding. Because many national forests do not receive the full amount of funding they require each year, the Forest Service should be required to identify, in the forest plans, how funds

will be allocated under funding shortfalls. This would ensure that Congress -- and the public -- would know what opportunities will be foregone under the plan.

In addition, the forest inventory and research program has been continually under-funded for the national forests in the Lake States. Yet resource analysis research provides important information needed to make informed decisions in the forest planning process. It would be most helpful if the Forest Service were required to identify the level of research funding needed to support the forest planning process for each forest or the region.

Section 106 of H.R. 5094 would also provide greater assurance that plans could be implemented. This section adds to the NFMA a requirement that the Secretary of Agriculture certify in writing that each decision for an implementing action "does not preclude achieving plan outputs" -- in other words, the action is wholly consistent with the decisions made in the forest plan.

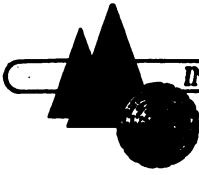
V. Conclusion.

In conclusion, the Lake States Forestry Alliance finds that H.R. 5094 would provide needed improvements to the National Forest Management Act to better insure that forest plans may be implemented. We particularly support provisions to: (1) provide

continued management direction while new plans are enjoined; (2) provide direction for tiering the environmental analysis for project-level decisions to the broader forest plan EIS; (3) better identify the funding levels needed for implementation of each plan in the Agency's annual budget requests; and (4) assure that individual implementing actions do not preclude the achievement of plan goals.

Yet H.R. 5094 will not solve every problem. As I pointed out, Section 201 should apply to forest plans under administrative appeal. Additionally, the Forest Service needs to better identify -- in each forest plan -- how the forest will be managed under the direction of the plan when full funding is not provided.

I appreciate the opportunity to testify today, and I would be happy to answer any questions you may have.



INTERMOUNTAIN FOREST INDUSTRY ASSOCIATION

STATEMENT FOR THE RECORD

OF

JAMES S. RILEY

EXECUTIVE VICE PRESIDENT

INTERMOUNTAIN FOREST INDUSTRY ASSOCIATION

BEFORE THE

SUBCOMMITTEE ON FORESTS, FAMILY FARMS AND ENERGY

COMMITTEE ON AGRICULTURE

OF THE

UNITED STATES HOUSE OF REPRESENTATIVES

JULY 26, 1990

I. Introduction

Good morning. I would like to thank the members of the Subcommittee for allowing me to testify today. I am James S. Riley, Executive Vice President of the Intermountain Forest Industry Association (IFIA) located in Coeur d'Alene, Idaho.

IFIA is an association of forest land owners and forest products manufacturers in Idaho, Montana, Utah, Wyoming, Colorado, and South Dakota. All of our members are dependent in whole or in part on the national forests in these states for their source of raw material supply.

On March 6, 1990 I was privileged to be able to testify before this Subcommittee on the results of the national forest planning process in the four Forest Service Intermountain Regions with which I am most familiar. These regions contain the national forests throughout the Intermountain West, from Arizona and New Mexico to the Canadian border. At the March 6 hearing, I reviewed several problems associated with the development of national forest plans in these regions. Equally important, I also reviewed several developing problems associated with the implementation of these plans now that they are completed.

I am pleased to be here today to speak in strong support of H.R. 5094 which squarely addresses many of the problems which I discussed with this Subcommittee on March 6. I would like to review some of the specific problems I raised, and discuss how they are addressed by H.R. 5094.

II. The Provisions of H.R. 5094 will Assure that the Reduced Timber Sale Levels Specified by the National Forest Management Act Plans for the Intermountain Regions will Actually Be Achieved As These Plans are Implemented.

In my March 6 testimony, I noted the significant reductions caused by the new forest plans in the four Intermountain Regions. In Regions 1 and 3, the Forest Service plans have reduced the potential timber yields in the old plans by 29 percent and 28 percent, respectively, in developing the measure of allowable sale quantity in the new forest plans. Even more devastating were reductions of potential yield in Regions 2 and 4, that totalled 57 percent and 54 percent, respectively. As I noted in March these reductions: (1) are the result of both economic as well as environmental constraints; and (2) hit particularly hard in communities in the Intermountain Regions which have wood products facilities that are most heavily dependent on the national forests for their raw material supply needs.

I also noted that, with these reductions now in place, it is an absolute must that the allowable sale quantity in the new forest plans actually be achieved. I observed that the Forest Service's track record so far does not give us much hope that this will be accomplished.

In this light, I am pleased to note that several provisions of H.R. 5094 speak to this need and bring us closer to some assurance that the national forest plans which we have invested so much time and effort in developing will actually be implemented.

Section 101 of the Act establishes for the first time a requirement that the Forest Service maintain to the maximum extent feasible the stability of any community economically dependent upon a unit of the national forest system. In the course of any forest plan amendment or revision, this provision requires the Agency to prepare an analysis for each community of the impacts of these changes.

This type of requirement is essential because, as I noted on March 6, there are virtually no specific congressional guidelines or statutory standards governing: (1) commodity output production on the national forests; or (2) the importance of considering the impacts of Forest Service decisions on the stability of communities with an economic base which is dependent upon Forest Service programs. This provision goes a long way toward rectifying what has been a glaring omission in the mandates governing how the national forest plans have been developed and implemented to date.

In addition, there are several provisions in the bill which work to assure that the allowable sale quantity in this round of forest plans is met, and that it is not unjustifiably reduced further in subsequent amendments or revisions to the national forest plans. For example, Section 105 of the Act provides the Agency with the authority to establish a "Minimum Management Requirement" for timber production. This requirement would be reflected whenever a plan is amended or revised. It does not, however, specify any particular level of timber production. To

date, the Agency has developed minimum management requirements for virtually every other resource. Each has been addressed in considerable detail. Meanwhile, timber has been dealt with as a "residual resource" relegated to whatever land base remained after all other resources' Minimum Management Requirements were identified and accommodated. We believe that this provision of the bill re-establishes the multiple-use principle by putting timber production back on an even basis with other resource values.

Additionally, Section 106 requires that the Agency certify that individual decisions on implementing actions over the course of a planning cycle will not -- individually or in sequence -- preclude achieving forest plan outputs. The provision also requires the Secretary to monitor forest plan implementation to ensure that a plan is not constructively changed through either failure to act, or through a pattern of implementing actions that is inconsistent with the plan. We believe that this monitoring requirement will assure that the plans remain meaningful documents that guide the management of the national forests on a day-to-day and year-to-year basis during the decade of the planning cycle.

Along similar lines, Section 307 of the Act contains important provisions which: (1) require that no management action taken on lands in a national forest which contribute to the achievement of the allowable sale quantity will preclude such achievement in the course of the decade; and (2) require the

Agency to offer not less than 30 percent of the decadal annual sale quantity in any three consecutive years in the ten year life of a plan. These two provisions are essential to assure that the Forest Service either: (1) remains on a track to achieve the outputs indicated in the plan; or (2) recognizes and notifies the public that events have changed, and that the allowable sale quantity cannot be met. In the latter case, the Forest Service would move to plan amendment or revision to reevaluate the standards, guidelines, and assumptions that went into the original plan to see whether changes are warranted and could rectify the problem.

Finally in this area, Section 308 requires the Agency to submit annual budgets that include appendixes outlining the funding levels necessary to achieve 100 percent of all the annual outputs specified in each forest plan. This information, which is not now easily obtained, will help both the public and Congress to assess how to best move forward in achieving full forest plan implementation. Clearly, such information will be necessary for thoughtful interaction between the Appropriating and Authorizing Committees of Congress to assure that the forest plans are more than a planning exercise, and actually guide the investments that are made on the national forests.

III. H.R. 5094 Recognizes the Importance of the National Forests' Contribution to National and World Wood Supply Needs.

One significant criticism that I levied on March 6 of the national forest planning process in my region was that the plans

contain very poor assessments of timber demand, both within the region as well as nationally and world-wide. In many respects the forest plans in my region seem to suggest that timber demand stops at the boundaries of each unit of the national forest system. This is clearly not the case.

Fortunately, the findings and intent of H.R. 5094 begin to articulate the critical importance that the national forests play in meeting world needs for wood products. Indeed, the national forest system contains over 50 percent of our nation's standing softwood timber inventory. In this light, we must understand and reflect that the national forests are an important source of raw material to meet our wood products needs.

Findings (j) and (k) in the introduction of the bill make it clear that the national forest planning process has ignored the global environmental importance of forest products. The findings also make it clear that the inability to implement the national forest plans has created negative domestic environmental impacts. These impacts are associated with timber shortages, higher prices for wood products, and the increased use of environmentally inferior wood substitutes such as plastics, steel, and aluminum.

We hope we are moving into a period of greater stability in national forest management as a result of the provisions of H.R. 5094. We also hope that the importance of wood as a renewable resource -- and the national forests in providing a significant amount of wood -- become better recognized as a consequence of

favorable congressional consideration of this bill. As a society, we cannot allow the continued stripping the tropics of forest land to meet domestic and world needs while we hoard our own forest resources because of an abstract and egocentric desire for pure preservation.

IV. H.R. 5094 Moves Us Into Active Plan Implementation by Providing Mechanisms to Bring Closure to National Forest Conflict.

Probably my biggest criticism of the national forest planning process in one region is the inability of the national forest plans to bring any closure to the conflicts that have occurred over national forest management during the last ten years. Simply stated, as implementation has haltingly proceeded, the national forest plans have become documents explaining what decisions "have not been made" about the management of the national forests, rather than affirmative decisions about how to proceed.

Unfortunately this problem is getting worse as conflict over plan implementation has intensified. Therefore, probably the most important part of H.R. 5094 are the provisions in Title III of the bill which provide the opportunity to bring closure in national forest decision-making. First, as I noted on March 6 there is a real problem concerning the National Environmental Policy Act documentation requirements associated with forest plan implementation decisions. Notwithstanding the Environmental

Impact Statements accompanying the Regional Guides and the national forest plans, the Forest Service is stumbling in an ad hoc fashion into an increasing reliance on project level EIS's to justify what it is doing. This is tragic. It assures that very little will get done on the ground. What does get done will be at an extremely high cost.

H.R. 5094 takes a step toward addressing this problem. Section 306 of the Act directs the Forest Service to develop regulations that will allow tiering of NEPA documentation responsibilities to avoid redundant development of environmental impact statements at all levels of decision making.

Section 304 of the Act establishes some alternative procedures for judicial review of actions that implement national forest plans. Section 304 would allow judicial review to occur more expeditiously. It would also use the forest plans as a standard for evaluating implementation decisions in order to narrow the scope and breadth of the conflicts that arise over implementing decisions. By giving greater judicial weight to the plans, this provision will insure that the plans become the framework for the management of the national forests into the next decade. With all of the time and the effort invested in the development of the national forest plans there is no excuse for the Agency, the Administration, the Congress, the Courts, and the public to deny them the status they deserve in reconciling disputes over their on-the-ground implementation.

Section 301 of the bill provides standards for forest plan amendment and revision that channel public disputes over the implementation of forest plans first to the Agency to assess whether the plans need to be amended or revised based upon new information or recent developments. This amendment is designed to keep people from going first to Federal District Court and, therefore, undermining the forest plans and upsetting the management framework that the Agency has established for implementation. Clearly, the Forest Service should fairly -- and, in many cases, favorably -- respond to petitions for forest plan amendments and revisions, particularly where new information is involved. The purpose of this provision of H.R. 5094 is to make sure the plans are living documents subject to amendment and change as events change.

At the same time, however, it is equally important that the plans not be circumvented or subjected to a judicial "end-run" by individuals who have not invested any time in the forest planning process. These people should be precluded from seeking judicial review until they exhaust their administrative opportunities with the Agency. We think this provision is essential to avoid this problem. It is also vital that confusion, as well as to assure that the Forest Service -- in a panicked response to petitions for judicial review -- does not, itself, and-run the forest planning process by ad hoc or interim decision-making policies (such as have occurred over the last several months on old growth, below-cost timber sales, management of the Red-Cockaded Woodpecker, and management of the Mexican Spotted Owl).

Finally, as I indicated briefly on March 6 and have testified at greater length in previous hearings before this Subcommittee, the number and scope of administrative appeals and judicial challenges to Forest Service decisions have increased exponentially over the last five years. H.R. 5094 will not stop this trend. However, the provisions of Title III will expedite administrative appeals and judicial review by: (1) establishing reasonable standards of access; (2) narrowing the scope of the issues under appeal or legal challenge; and (3) expediting Agency and judicial treatment of challenges to Forest Service decisions. These are not unwarranted congressional intrusions into the actions of the Agency's appeals process or the judiciary. Rather, they reflect the increased management burden created by the rising number of challenges to Forest Service decisions. They are a justified application of congressional authority and responsibility to oversee, not only the administration of the Forest Service, but the courts as well.

V. The Intermountain Forest Industry Association Strongly Opposes H.R. 4492.

I understand that this hearing also involves a review of H.R. 4492, the Ancient Forest Protection Act of 1990, and H.R. 5295, the Ancient Forest Act of 1990. By their terms, H.R. 4492 and H.R. 5295 would not apply to the states in which I operate, except that the latter would require an old growth inventory on our national forests. I object to this requirement as an unnecessary duplication of the inventory work conducted during the national forest planning process. Moreover, I object to the

way both measures superimposes a separate, top-down, single-use land management process on the recently completed national forest plans in the regions affected. These proposals are no less than a complete reversal of the philosophy embodied in the National Forest Management Act of developing national forest plans on a unit by unit basis.

They are poorly written measures which have the potential of halting all timber harvesting activities on federal lands in the Pacific Northwest. Even though its geographical reach does not expand to my region I nevertheless strongly oppose the principles on which they are founded and the way they attempt to manage by congressional fiat the national forests.

VI. The Intermountain Forest Industry Association Supports H.R. 4909.

H.R. 4909, the Community Stability Act of 1990, is similar in many respects to Section 102 of H.R. 5094. The requirements for the maintenance of community stability are, however, more explicit in H.R. 4909. In this light, we favor it as a substitute for Section 102 of the more comprehensive National Forest Plan Implementation Act.

VII. Conclusion

In conclusion, I strongly urge the Subcommittee to favorably and expeditiously report H.R. 5094 to the Agriculture Committee

with the one amendment that I have just suggested. I urge rapid Subcommittee action on the bill because I believe that we are at a critical point in the development and implementation of national forest plans. I fear that if Congress does not act this year to stabilize the national forest planning process and provide the Forest Service with some direction on forest plan implementation, much of the progress made over the past 14 years will be lost. Therefore, I urge the Committee to act as rapidly as possible to avoid this outcome.

I appreciate the opportunity to testify today. I would happy to respond to any questions the Subcommittee might have.



PACIFIC LUMBER & SHIPPING CO.

(Established 1932)

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**STATEMENT OF
JILL MACKIE, GOVERNMENT AFFAIRS REPRESENTATIVE
PACIFIC LUMBER AND SHIPPING COMPANY, SEATTLE, WASHINGTON
BEFORE THE
HOUSE AGRICULTURE SUBCOMMITTEE ON FORESTS, FAMILY FARMS & ENERGY
HEARING ON NATIONAL FOREST MANAGEMENT LEGISLATION
JULY 26, 1990**

Thank you, Mr. Chairman. I'm Jill Mackie of Pacific Lumber and Shipping Company in Washington State.

Our headquarters are in Seattle, but our economic impact is in eastern Lewis County, a rural area of Washington that's just south of Mount Rainier National Park and just north of Mount St. Helens. Our mills are heavily dependant on timber from the Gifford Pinchot National Forest.

Our company runs mills in three towns of eastern Lewis County: Morton, Randle and Packwood. The latest official population estimate for Morton is one thousand, one hundred and seventy. That sounds pretty small, but it's the biggest of the three towns.

Through the years, Pacific Lumber and Shipping has maintained a commitment to steady employment. We have approximately 450 employees in eastern Lewis County. Our mills have operated at one

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hundred per cent all through the recession of the early Eighties, and on into today's crisis of uncertainty. That's no shutdowns, no layoffs.

Our mills are totally up to date technologically, thanks to heavy investment. We contract out additional work to about 300 other people, mostly roadbuilders and loggers. Between the people we employ and the goods and services we purchase, the entire economic well-being of eastern Lewis county depends on Pacific Lumber and Shipping. There isn't anything else, really. And we haven't failed these people.

But the process of National Forest management is beginning to fail them, and fail us, too.

That's why I'm here today to ask this subcommittee and the entire Congress to enact H.R. 5094. This bill certainly won't solve every forestry problem in our area, like the spotted owl. But it will at least make it easier for the Forest Service to implement the plans it's taken more than a decade to develop, and it will help improve those plans when they're amended or revised.

I won't take the time to repeat the overview analysis that some of the colleagues are presenting today. Let me focus, instead on some

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of the ways we would be helped were this legislation in place at this time.

Pacific Lumber & Shipping Co. and its employees have been actively involved with the National Forest Management Act Forest Planning process for ten years. The Gifford Pinchot National Forest provides PLS with roughly 70% of our raw material needs. The Gifford Pinchot recently released the Final Environmental Impact Statement and Final Land and Resource Management Plan. Because of its direct link to the survival of our company, and the dependent communities, PLS has been intensely monitoring the development of the Gifford Pinchot's Forest Plan.

The existing plan for the Gifford Pinchot prescribes an annual sale level of 411 million board feet per year (mmbf/year). In 1987, the Gifford Pinchot produced a draft forest plan that reduced the allowable sale quantity to 388 mmbf/year. The final plan reduces the ASQ further to 334 mmbf/year. When new direction regarding the spotted owl is adopted, the ASQ will likely be dropped by upward of 50%.

Is this drastic reduction necessary? We think not. After release of the draft Forest Plan with a recommendation for a timber sale level of 388 mmbf/year, the planning team uncovered errors in their

analysis. These corrections could have increased the timber sale level to 440 mmbf/year. Instead, the Gifford Pinchot made additional land withdrawals that lowered the timber sale level to 334 mmbf/year, before the spotted owl issue is even resolved. This difference of over 100 mmbf/year provides much room to maintain historical timber supply from the Gifford Pinchot, just as the vast preponderance of public comments have suggested.

H.R. would require the Gifford Pinchot to complete a significant amendment if additional withdrawal of spotted owl habitat reduces the ASQ. In completing this amendment, the Gifford Pinchot would have to revise their Forest Plan to consider "...other land use or management changes that, in combination with the required change, would be appropriate to maintain overall plan balance and meet other plan goals and outputs." (Sec.103 (B))

Without this specific requirement we are confident the Forest Service planners would merely overlay any additional spotted owl habitat withdrawals on top of the 900,000 acres (out of the total Forest acres of 1,371,700) that are already withdrawn from intensive forest management (Land and Resource Management Plan IV-32). The Gifford Pinchot, like most forests in the Northwest, has a tremendous amount of flexibility in terms of land base availability to mitigate the impacts of additional spotted owl

protection. H.R. 5094 would assure a rigorous exploration of all possible options.

Another provision of H.R. 5094 would be of particular help in assuring the survival of communities like ours. That provision is section 101, which would require the Forest Service to at least analyze the impacts of forest planning decisions on affected communities. The Oregon Lands Coalition bill, H.R. 4909, has similar requirements and we endorse those, too.

Provisions like these may have seemed unnecessary when the National Forest Management Act was written nearly 15 years ago. The emphasis on public involvement was intended to make sure that people affected by forest planning decisions had an opportunity to get involved, that it wasn't just the agency imposing its will. But we didn't have the nationalization of decision-making that we seem to have now.

The balance of influence has shifted to the point that national politics and national interest groups have overwhelmed the impact of the people who are affected every day by these forest planning decisions. The affluent in places like New York and Beverly Hills, and congressmen in places like Indiana and Massachusetts are ripping away the livelihoods of people whom they'd be the first to

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defend if these people were in their cities or their constituencies.

Requiring some analysis of community impacts would at least put the gut issue of forest planning on the table, rather than lost under the table. The cost of some decisions in terms of family stability and social dislocation would be there to see.

The antithesis of considering local impacts is legislation like Mr. Jontz' so-called Ancient Forest bill, or the similar bill introduced last week by Mr. Vento. We strongly oppose these bills. They would ruin our towns and communities, and the people in them.

You add up these kinds of things, Mr. Chairman, and you combine them with the spotted owl and eco-terrorism, and you'll see that it's becoming increasingly difficult for the folks in eastern Lewis County and us to make a living. It's gotten so frustrating and unpredictable that our company's president, Bob Spence, is looking at the availability of logs from the Soviet Union. Here we live amidst the most productive forests in the world and yet we have to look halfway around the world to find logs so we can keep some stability in our area. That's pretty ironic.

Mr. Chairman, we're trying the best we can to maintain stability

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in eastern Lewis County, and, yes, earn a buck while we're doing it. But the obstacles keep getting higher. You have an opportunity here to restore some balance to the process. Please do that.

STATEMENT FOR THE RECORD

OF

DIGGES MORGAN, III

VICE PRESIDENT - GOVERNMENT AFFAIRS
SOUTHERN FOREST PRODUCTS ASSOCIATION

Good morning. My name is Digges Morgan, and I am Vice President of Government Affairs for the Southern Forest Products Association. SFPA is an association comprised of wood products manufacturers throughout the southern United States and is currently celebrating its 75th year of service to the Southern pine industry.

I appreciate the opportunity today to testify on legislation pertaining to forest issues -- H.R. 4492, the "Ancient Forest Protection Act of 1990" and H.R. 5094, the "National Forest Plan Implementation Act." Interestingly, while one bill (H.R. 4492) attempts a substantive and prescriptive response to a regional land management conflict, the other (H.R. 5094) looks nationally at our land management planning process--a process envisioned to resolve land use conflicts--and attempts to improve that process without prescriptive measures. Because my colleagues from the regions most affected by H.R. 4492 will provide more detailed testimony on H.R. 4492, I will restrict my comment on the bill to the following thoughts:

I. H.R. 4492 Defeats the Goals of National Forest Planning.

While few of my members are directly affected by the provisions contained in H.R. 4492, there is a fundamental policy issue with which all regions must be concerned. H.R. 4492, if passed, would

undermine the forest planning efforts reflected in over 30 national forest plans.

The process to develop 123 forest plans has proven to be arduous. More than one million people have participated in the NFMA planning process -- one of the largest public participation efforts ever undertaken by a federal agency and clearly one of the most expensive processes, with over one quarter of a billion dollars spent so far. For Congress to knowingly pass legislation which in essence ignores the hard efforts undergone by all interest groups on 25% of this nation's forest plans seems to go against the goals of the National Forest Management Act.

Additionally, there are other provisions which could set a serious precedent for land management in other regions. For instance, Section 4(d) "Suppression and Control Programs" states that the respective Secretaries may not conduct suppression or control programs for native insects, plants, or diseases within any unit of the system. And Section 4(b)(2)(C) states that the Secretary may not undertake any fire suppression activity within a unit of the system. Legislating such prescriptive management direction for so many affected national forests is simply not sound forest management. What is a private land owner to do if his or her land buffers one of these national forest tracts affected by this legislation? Such a "hands off" approach on our national forests could allow fire and disease problems to spill

over onto adjacent land ownerships. On the other hand, because of the associated forest definition contained in Section 3(2), this may be a moot point because private land appears to be proposed for inclusion in the ancient forest reserve as well.

Again, I would offer that such provisions not only ignore the national forest planning effort to date, but also set a serious precedent for private land activities in other regions. When the national forest system was created, the public was given a hope that the land managers who cared for those lands be allowed to do so in a manner which established world leadership in this area. Prescriptive legislation such as H.R. 4492 seems to be a retreat from that goal.

II. H.R. 5094, the National Forest Plan Implementation Act of 1990.

As my colleagues on this panel will also attest, H.R. 5094 would do a great deal to assure that land management conflicts come to resolution. The Southern Forest Products Association strongly supports this legislation.

In contrast to H.R. 4492, the National Forest Plan Implementation Act of 1990 would provide stability to the national forest planning process nationwide. It could be that if such

legislation had been enacted several years ago, bills of a prescriptive nature such as H.R. 4492 would not be considered necessary by its sponsors. Congressional members who drafted, and those who supported, the National Forest Management Act appropriately recognized that land use conflicts should be resolved at the local level. However, without the implementation improvements contained in H.R. 5094, I doubt it will take long before other regions face legislation similar to the far reaching and prescriptive nature of H.R. 4492. While the spotted owl has occupied the vanguard position due to the impacts facing the forest products industry in the Pacific Northwest, the Southern Region has a popular endangered species of its own --- the Red-Cockaded Woodpecker.

III. Plan Implementation Procedures Have Not Been Effective Throughout the Southern Region.

The process for development of forest plans has evolved, subject to considerable debate and controversy, over the past 14 year. Throughout this time, appeals have been an integral -- perhaps all too integral -- part of the process.

Today, 14 years after passage of NFMA, 103 of the 123 forest plans are completed. The plans for the eastern and southern forests were among the first to be completed, and they are now the nearest to resolution in their forest plan appeals. Of these

completed forest plans, all were appealed and just over half have all appeals resolved. By contrast, in California, Oregon, and Washington, final plans are just now being completed.

It is important to note that unless a stay is granted, the Forest Service is required to implement the forest plans during the appeal process. However, this becomes difficult as many of the issues raised in the plan appeal are then raised again in appeals at the project or implementation level. For example, at the start of this fiscal year, the South had 219 project level appeals pending, with 193 relating to timber. The point is that after all of this time planning how our forest should be managed, implementation of those plans is not occurring.

- A. For Example Red-Cockaded Woodpecker, a Bird Listed as Endangered for Nearly 20 Years and Accommodated in Forest Planning by the Forest Service, has Emerged as a Major Issue in the Southern Pine Forests.

The Southern Region's actions to change management practices for the protection of the Red-Cockaded Woodpecker provide an excellent example of the need for H.R. 5094. Under challenge that existing guidelines -- approved by the U.S. Fish & Wildlife Service and incorporated in final forest plans -- were not adequate to protect the species, the Forest Service altered its management practices throughout the South without: (1) complying

with the National Environmental Policy Act (NEPA) and NFMA procedures for plan amendments; or (2) even demonstrating that the new practices would further protect or improve the habitat for the woodpecker.

Three related events have triggered the conflict:

1. Preservationists won a permanent injunction from a U.S. district Court in Texas prohibiting the Forest Service from offering clear cut timber sales within three-quarters of a mile of a Red-Cockaded Woodpecker ("RCW") colony site. That limits harvesting on more than 1,100 acres for each site. The decision is under appeal.
2. The Sierra Club threatened to bring a Texas-type RCW lawsuit against timber cutting on national forests in eight other southern states.
3. The Regional Forester, without proper environmental analysis, unilaterally capitulated to the Sierra Club threat by imposing a restrictive new timber cutting restriction policy on March 27, 1989 within that same three-quarters of a mile around each RCW colony on 14 national forests in the South. The Region 8 Forest Service Timber Purchasers Council, of which SFPA is a member, has gone to court on this policy. This is because our biologists

believe the Regional Forester's action will jeopardize recovery of the Red-Cockaded Woodpecker (RCW), and because the Forest Service has not adequately implemented its own policy developed with approval by the U.S. Fish and Wildlife Service, and then adopted in the Regional Guide and affected forest plans. Since March 27, the Forest Service has developed interim guidelines (released in final form on May 9, 1990) which replace the March 27 policy.

The Agency's lack of confidence in the forest planning process is of great concern. It implies that the Agency is not merely shying away from possibly controversial timber sale decisions, but more fundamentally, it has lost the fortitude to embrace its final forest plans as a working tool. It suggests that the fear of appeals and litigation is leading the Agency to ignore its own procedural requirements in an ad-hoc attempt to placate potential plaintiffs in any way that seems appropriate given the circumstances presented at a particular point in time. This is a clear indication that the Agency is confused and has lost its way in threading through the morass of appeals and litigation that it now faces.

IV. The Stability of Forest Dependent Communities in the West and Throughout the Nation is Now More Tenuous Than Ever.

Program disruptions of this magnitude, in a period of raw material scarcity and high market demand, cannot help but be felt by both mills dependent on Forest Service timber as well as those that are affected by increased competition for open market logs. Competition in the log market increases significantly as raw material is held off the market by either the federal government or any other landowner. Consequently, in the past 18 months well over 50 mills have closed in Oregon, Washington, California, Montana, Idaho, and Wyoming.

V. Trends in Forest Service Timber Sale Programs over the Past Several Years Indicate a Pending Crisis for Timber Producers.

Forest Service harvest levels of already-sold timber have outpaced new timber offer levels for each of the past five years -- the longest continuous period in history. Harvests on national forest lands exceeded sale offerings by a total of 3.4 billion board feet between FY 1985 and FY 1988. Due to the effects of litigation, harvests exceeded sales during FY 1989 by 3.24 billion board feet in this one year alone.

As a consequence of this problem, over the past four fiscal years on a nationwide basis, stumpage prices for both harvested and sold Forest Service timber have steadily risen. The average stumpage sale price for national forest timber has risen from \$51.75 per thousand board feet in FY 1985 to \$215.13 per thousand

board feet in the second quarter of FY 1990, a 315 percent increase. Also, the average price of volume harvested from national forests has increased from \$68.76 per thousand board feet in FY 1985 to \$111.16 per thousand board feet in the second quarter of FY 1990, a 61 percent increase. In some regions stumpage prices have increased more dramatically with bids breaking the \$1,000 per board foot mark. These increases in stumpage prices are directly attributable to log shortages.

As a consequence of this shortage caused primarily by appeals and litigation, but also by an ever decreasing timber land base as the public and Forest Service make new land allocation decisions through the forest planning process and legislation, we are revisiting the period of the late 1970's during which desperation bidding drove producers into operating deficits and ultimately mill closures. The difference today is there is less timber under contract. Before, they bought sales at high prices anticipating they could still profit when they logged a couple of years later. Now, sales sold are needed for the mill within the next 6 months and will be subject to shorter timer fluctuations in prices. This will have a direct impact on the local communities in which these mills are located.

VI. Several Provisions of H.R. 5094 are Important to the Southern Region.

A. Community Stability

As I stated earlier while the impacts on timber dependent communities has been highly publicized in relation to preserving the spotted owl, it is important to note that just as endangered species are not exclusive to the Pacific Northwest, neither are timber dependent communities. The Southeastern Region has a number of communities also impacted by severe disruptions in the implementation of national forest plans. The sponsors of this legislation have correctly recognized that community stability is important not only to the Pacific Northwest but to other regions as well.

For instance, Section 101 would include a standard that in the development of forest plans the Forest Service shall "maintain to the maximum extent feasible the stability of any community economically dependent upon a unit of the National Forest System....." and that an analysis of impacts on such a community shall be developed. This is clearly an important provision for resource dependent communities. The National Forest Management Act planning process was envisioned to provide predictability about the way these multiple use lands were to be managed. From an impacted community perspective, these documents were to be

useful planning tools. However, with erratic drifts from the plans, it is unrealistic to expect communities to be prepared for severe changes unless forewarned. Also, I would expect that the Congress and policy makers would be interested in knowing the impacts to county road budgets, to school budgets and those things which are tradeoffs for various actions undertaken in a plan. Again, I would state that: (1) the resource dependent communities need predictability; and (2) policy makers and the public deserve to know what community impacts can be anticipated from changes in forest plans.

Along these same lines, Section 107 is also very important. This section would require that "...That, to maintain the stability of communities economically dependent on a national forest, the Secretary shall delay through annual phase-in the full implementation of any portion of a plan, plan amendment, or plan revision....." This provision also recommends a formula by which such a phase in would be implemented. And, while my organization supports the formula contained in H.R. 5094, clearly the proposed formula will be controversial to some. The important concept here, however, is to allow severe changes in forest plan outputs to be phased in on some type of predictable basis. Such a provision would again, greatly aid resource dependent communities. These communities and their respective businesses should be allowed to prepare and plan for national forest plan changes which have economic significance.

B. The Red Cockaded Woodpecker and Plan Implementation.

As I discussed earlier in my testimony, the Southeastern Region is also facing problems with plan implementation as a result of protection measures for another endangered species --- the Red-Cockaded Woodpecker.

Section 102 of H.R. 5094, had it been in place earlier would have provided not only a more environmentally sound process, but also a more responsible process for implementing conservation measures for this species. Section 102 requires that when a significant amendment is made to regional guidance, forest plans governed by that guidance must be amended within three years to conform. This would be useful because if a plan is not amended to conform within three years of the effective date of the guidance, then certainly by that point, the plans may be out-of-date or meaningless.

In the case of the Red-Cockaded Woodpecker, I detailed the problem of the Regional Forester who, without proper environmental analysis imposed a new timber cutting restriction policy unilaterally on 14 different national forests. Had the Forest Service amended each individual plan, certainly they would have recognized the differences in those forests and their

individual woodpecker habitat advantages or disadvantages. The public would have engaged in this process and worked at the individual forest plan level to accommodate the species and competing interests. It is simply irresponsible resource management to expect that a regional guidance decision will work the same way on each forests. The manner that this decision was conducted was in our view both a violation of NEPA and NFMA procedures for plan amendments.

Section 106 also would have improved this situation. This section would require that "The Secretary shall regularly monitor forest management and forest outputs to ensure that a plan is not constructively changed through a pattern of implementing actions or failures to take implementing action that is inconsistent with the plan. If the Secretary finds the plan has so changed, he shall direct that corrective actions be undertaken to restore plan consistency or that the plan be amended." Again, this provision would return forest plans to a status of meaningful working documents. Clearly in the case of the Red-Cockaded Woodpecker regional guidance, where the plans had previously been developed with the approval of the U.S. Fish and Wildlife Service in terms of adequate conservation measures --- any abrupt change (such as the decision Forest Services new interim guidelines released May 9, 1990) --- assumes that, the affected forest plans will not be truly implemented. They have been substantially changed without any public participation process, and the Agency,

unless required to take corrective action to return the plan to the balance represented in the final versions, will continually drift away from that plan. If each plan warrants substantial changes in outputs, then the Agency has a responsibility to be upfront about that and actually amend the plan.

C. Litigation and Appeals

Again, the Pacific Northwest is not alone in receiving its share of appeals and lawsuits over national forest management plan activities. My organization supports the provisions in H.R. 5094 which would streamline the appeals process. The problems caused by environmental group appeals and litigation go to the heart of not only our national economy but our global well-being. H.R. 5094 is essential for professional forestry decisions to be made by foresters rather than judges.

An example is the recent lawsuit filed in federal court regarding clear cutting and herbicide use in the Ouachita National Forest. This 1.6 million-acre forest in Arkansas and Oklahoma is the South's oldest and largest national forest. After spending years developing this forest plan with participation from all interest groups, environmental organizations are filing suit on 1,200 acres in 12 areas scheduled for logging. All of the time and effort to address controversial issues in this plan has been pointless, because environmental organizations can currently take

the same issues, debated time and time again in a planning process, to court. There has to be a point when enough is enough. Under H.R. 5094, such a conflict would first have to be raised through a plan amendment process. Were the plaintiffs to prevail on their petition, then the decision would apply to the entire plan, not only to each implementing action under appeal. Also, should the plaintiffs have their petition denied by the agency, then the Agency would have developed an administrative record regarding the issue. Such a record would likely be useful to the agency in defending its actions in court.

VI. Conclusion

In conclusion, I would like to make four points. First, the Southern Forest Products Association is opposed to H.R. 4492, as it undermines a significant national forest planning effort. Second, while we support H.R. 5094, it could certainly be strengthened to assure that national forest plans become working documents. Third, national forest plans after an extensive public participation process are not being implemented in the southeastern region. And finally, without stabilizing provisions contained in H.R. 5094, the southern forest products industry and affected communities will continue to suffer from severe and abrupt changes in forest plans through repetitive appeals, litigation, and the Forest Services' own ad-hoc policies which cause a drift from the plans.



THE WILDERNESS SOCIETY

**TESTIMONY OF GEORGE T. FRAMPTON, JR., PRESIDENT,
THE WILDERNESS SOCIETY ON H.R. 5295 AND H.R. 4492,
BEFORE THE SUBCOMMITTEE ON FORESTRY
OF THE HOUSE AGRICULTURE COMMITTEE
JULY 26, 1990.**

Mr. Chairman. I am George T. Frampton, Jr., president of The Wilderness Society. I appear today on behalf of the nearly 400,000 members of The Society to reiterate our support for legislation that would establish permanent protection of the ancient forests of the Pacific Northwest.

The controversy now surrounding these public lands is of great importance to all Americans, as well as to the residents of Washington, Oregon and California. Ancient forests are part of our rich natural heritage. Unfortunately the remaining unprotected tracts of ancient forests—containing trees three and four times as old as our nation—are severely fragmented and at risk.

There is a growing awareness throughout the country of the need to protect our last remaining ancient forests. This awareness has manifested itself in the widespread public condemnation of the Bush Administration's recent decision not to accept its own scientists' strategy for protecting the habitat of the threatened northern spotted owl.

The timber industry in the region is undergoing a fundamental transition. It is shifting from exploitation of the region's original endowment of mature, natural forests, to managed stands of younger, second growth timber. That transition is essentially complete on private and state lands in the Pacific Northwest. Today, most, if not all, of the remaining old growth forests are on national forests and Bureau of Land Management lands in northern California, Oregon, and Washington. And on these public lands, the timber industry in concert with the BLM and Forest Service have nearly exhausted our virgin forests.

In fact, the spotted owl has become a scapegoat for the environmental and economic damage done to the region by the timber industry. Having overcut its own lands, the industry is now intent on liquidating all the remaining old growth forest on public lands. Through technological change and improvements in productivity, the timber industry itself has eliminated 26,000 direct jobs in Washington and Oregon in the past 10 years. Nearly one-quarter of the timber cut in the region last year was exported

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to Pacific Rim nations as raw logs—enough timber to provide mill jobs for 16,000 people. Yet industry continues to blame owls and environmentalists for these job losses.

Industry officials claim that saving the last few fragments of ancient forest will mean economic devastation to the region. This is a gross exaggeration. Credible job impact estimates suggest that between 14,000 and 17,000 direct jobs may be lost over the next ten years if ancient forests are protected. This includes job losses linked to ancient forest protection and technological change in the industry. At the same time, 160,000 new jobs are being created annually in Washington and Oregon: about 100 new jobs for every job lost to ancient forest protection. It should be remembered also that these estimates assume nothing else is done to affect the jobs equation, such as reducing log exports, assisting with economic diversification, establishing worker retraining programs, or providing financial and technical assistance to mill owners.

The Wilderness Society has been the leader in documenting the damage and the risks remaining to the region's ancient forests. We have conducted detailed analyses of the Forest Service's long-range management plans and the economic situation of the timber industry, conducted the only scientifically sound inventory of the region's old growth resource, and are producing highly detailed maps of the region's old-growth forests using state-of-the-art computer technology and satellite imagery.

Armed with this data, The Society enthusiastically supports the legislation proposed by Representative Jim Jontz of Indiana, H.R. 4492, the Ancient Forest Protection Act of 1990. This bill, which now has 117 cosponsors, offers the soundest plan for implementing the type of strategy needed to protect all of the ecological values of the ancient forests in the Pacific Northwest.

We support Mr. Jontz's bill for several reasons.

First, there is no preconceived size for the ancient forest preserve. Instead, the Jontz plan would allow for a system that is as large as necessary to protect the forest resource. It would not establish protection based solely on the number of acres needed to protect spotted owl habitat, or to protect habitat of any other individual species.

Second, H.R. 4492 would extend interim protection to all ecologically significant stands of old growth, and not just areas designated by any agency, report, committee, or person. Many in Congress now view the recommendations of the interagency scientific committee headed by Forest Service biologist Jack Ward Thomas as sufficient for interim protection. It must be remembered that the Thomas Report addresses only the habitat needs of the northern spotted owl and does not address any other old growth forest value. In any event, the Thomas Report should be considered, at most, as a starting point for protection of the region's ancient forests. Any effort to do less than what is recommended in the Thomas Report would, in our judgment, violate the Endangered Species Act.

Third, Congress would be responsible for determining which areas and how much ancient forest would qualify for inclusion in the permanent reserve. It is clear that Congress must make these decisions, assisted by recommendations from federal land management agencies, as well as other groups with a stake in the future of the old

growth forests. The performance to date of the Forest Service and the BLM in managing these dwindling stands of ancient forest demonstrates their continuing reliance on a timber-first policy for the region's forests.

Fourth, a permanent ancient forest reserve removes the opportunity for federal land management agencies to tinker with areas that have been set aside. The Forest Service and BLM would be unable to shift, or remove, acreage from the reserve on their own initiative and would establish firmer congressional oversight on agency activities in the region.

Fifth, future timber sales levels in the region would be set on a more sustainable basis, with greater regard for both market conditions and the available acreage for logging. This flexibility is essential if the old growth forest ecosystem is to be permanently protected.

While we believe that H.R. 4492 is an appropriate vehicle for addressing the protection of our ancient forests, we recognize that constructive additions to this approach may contribute to our goal of protecting these priceless forest ecosystems and helping the region establish a sustainable economy. H.R. 5094 fails to meet that test.

The legislation offered by Congressman AuCoin offers an alternative that goes well beyond what the White House has now suggested that it might propose, in terms of major changes to both the National Forest Management Act (NFMA) and the mandate of the Endangered Species Act. It would affect not just the Pacific Northwest, but every national forest—and every national forest management plan—in the country. One every one of these forests it would substitute national, top-down timber quotas for the science, planning discipline and sound forestry that form the basis for NFMA plans under current law.

H.R. 5094 guarantees that the historic high levels of timber sales and timber cutting will continue unabated in the Pacific Northwest. It does this by mandating future timber sale levels based on national quotas and requiring the Forest Service to award the full amount of such sales. In case top-down national quotas, for some reason would tend to reduce sales levels significantly, the bill provides an extra protection against this eventuality by permitting only a 2.5 percent reduction each year. Thus, for a forest such as the Mount Baker-Snoqualmie in Washington, which has been drastically overcut, and where the new plan proposes to reduce annual timber sales to about 100 million board feet from historic levels of 200 million board feet, it would take 40 years instead of one year to implement that plan. This would guarantee the liquidation of all remaining unprotected ancient forest on this forest.

We find the restrictions on judicial review especially objectionable. Stripping the courts of jurisdiction to enforce environmental law is no solution to any problems. In the short term it only sanctions and encourages illegal agency conduct. In the long term it establishes a dangerous and disturbing precedent that could be used to undermine other important laws protecting civil and constitutional rights. Restricting access to the courts and limiting judicial review is a dangerous notion that is unacceptable. It could be used to insulate any agency from judicial review of its actions. Such a practice puts

federal agencies above the law and makes a mockery of sound, scientifically-based natural resource management.

Barring judicial review would allow illegal conduct to go uncorrected. This is precisely the path chosen by members of Congress from Washington and Oregon nine times since 1984 for the express purpose of protecting a currently robust timber industry undergoing an inevitable transition in an increasingly competitive world marketplace. What was once an extraordinary exception has, sadly, now become the rule. This tactic has dealt a serious setback to the environmental vitality of the Pacific Northwest.

Ironically, the bill improves industry's ability to challenge Forest Service decisions. The bill would give industry the opportunity to litigate minimum management requirements before final forest management plans are issued. This would reverse a Forest Service decision several years ago to dismiss such challenges as premature. Furthermore, industry would be permitted to sue the agency for failing to award the full mandated sales quantity in any forest plan.

For the Pacific Northwest national forests the overwhelming consensus of the scientific community is that such an approach is untenable if any ecologically significant ancient forest is to be saved. Experience under the Fiscal 1990 Interior Appropriations Bill with all its administrative and judicial bells and whistles has been dismal in that it has proven it is impossible to protect the northern spotted owl and maintain high levels of logging in the Pacific Northwest.

There is one thing that is important to understand about the issue of ancient forest protection: tinkering with the NFMA is not the way to solve the problems facing the Pacific Northwest. In short, Mr. AuCoin's bill would substitute sound public policy goals with indefensible quotas, and toss sound scientific analysis out the door.

In considering the structure of authorizing legislation to protect the Northwest's ancient forests, it is important to recognize that the report of the Interagency Scientific Committee (the Jack Ward Thomas Committee), released in April, 1990, remains the only comprehensive scientific evaluation of the minimum necessary habitat that must be set aside to protect the threatened northern spotted owl. Thus, under the Endangered Species Act, the set-asides recommended by the Thomas Committee (whose report was commissioned by Congress) constitute the legal floor for protection of ancient forest ecosystems.

However, Habitat Conservation Area's (HCA's) stipulated by the Thomas Committee to protect the owl contain only about 30 percent of the remaining 1.5 million acres of unprotected ancient forests in Washington, Oregon and northern California. By contrast, Mr. Jontz's bill would provide interim protection for all ecologically significant ancient forests while final decisions are made to establish a permanent reserve. Moreover, the Thomas Committee's report does not deal with the forest that should be protected for other species or other public values (such as watershed protection, scientific study, recreation, or scenic beauty).

Our focus must now shift to maximizing the variety of roles that forests should play in the region's future economy. There is a consensus on what the scientific floor

should be--the Thomas Committee recommendations. To do anything less is unacceptable. Furthermore, it is clear that neither the timber industry nor the Pacific Northwest faces an economic crisis. Rather, the issue facing Congress and the region is how to make an economic transition that would be occurring regardless of the northern spotted owl, in a way that protects both the forest and jobs.

The bottom line is clear: in shaping a solution to this issue there are two things the American public is simply not going to accept--any change in the Endangered Species Act that weakens protection for species, and any limits on public access to the courts to challenge decisions or actions by federal land management agencies. What the American public is beginning to understand in crystal clear terms is that fate of a world-class treasure is at stake.

TESTIMONY OF GEORGE W. JOHNSON, REPRESENTING THE FEDERATION OF FLY FISHERS, BEFORE THE AGRICULTURE SUBCOMMITTEE ON FORESTS, FAMILY FARMS, AND ENERGY, HOUSE OF REPRESENTATIVES, JULY 26, 1990

Mr. Chairman, I am George W. Johnson, national conservation chair for The Federation of Fly Fishers. The Federation is a national organization of some 12,000 members. Because fisheries depend on healthy watersheds, I appreciate the opportunity to testify on H.R. 4492, the Ancient Forest Protection Act of 1990.

I have spent my entire life in the Pacific Northwest. I was born and raised in Montana, where I worked for several seasons with the U. S. Forest Service in various fire protection positions. I have a Masters Degree in Education with emphasis on biological and physical sciences. I currently live in Pullman, Washington, where I have been teaching chemistry at Pullman High School for twenty-three years.

My primary activity outside my vocation is fly fishing. I have also taught fly fishing for the past fifteen years. I have been fortunate to enjoy the opportunity of fishing most of the larger rivers and streams in the Northwest and often fish high mountain lakes and creeks.

I have firsthand knowledge about evaluating and monitoring logging impacts on a mountain stream. During the summer of 1988, I monitored the rehabilitation of a logged over area in the Gravey Creek watershed in Idaho. This area was clearcut logged in 1968. In 1988, the U.S. Forest Service attempting to rehabilitate the logging damage done to watershed.

It was clear to me that the impacts of logging were long-term in nature and in some cases, caused irreparable harm to the ecosystem. The removal of timber from the watershed had caused severe erosion problems. In this particular case, the Forest Service was unable to effect repairs in some of the more extreme problem sites. These areas caused damage to the watershed and the fishery the area supported. I saw that the siltation caused by the logging had caused a once fine native cut-throat trout spawning stream to be lost. Siltation changes the texture of stream gravel to a form that resembles concrete.

The stream can no longer provide spawning beds for the cut-throat or a substrate for the aquatic insects that form the basis of the food chain. The Forest Service has set up a water quality monitoring station in this stream. Aggressive water quality monitoring must be a direction for the future.

I have observed streams in logged over areas that will become muddied within minutes of even a short rain fall. This points out the necessity of protecting watersheds for the future.

In the Pacific Northwest, personal observations in the Cascade Range of Washington State have shown extensive clear cut logging over much of the area. These clear cuts often go from the base of a ridge to the highest point and from stream bottom to ridge top.

In the Deer Creek watershed of the Mt. Baker-Snoqualmie National Forest in Washington State, such logging activity has resulted in enormous land slides. Each rain and spring freshlet brings tons upon tons of sediment into the stream. The damage cannot be undone. What was once a prime steelhead nursery stream, is now a shallow, wide drainage ditch.

I fear that many of the new and numerous clearcuts in the Pacific Northwest will result in similar damage to many watersheds. In closing, I believe the Ancient Forest Protection Act of 1990 is needed to protect fisheries in the Pacific Northwest as well as other water resources like municipal water supplies.

TESTIMONY OF ELLIOTT A. NORSE, Ph.D.

My name is Elliott Norse. I am the Chief Scientist of the Center for Marine Conservation. My doctoral and postdoctoral training were in marine ecology rather than forest ecology. But over the last five years, I have become quite familiar with the ancient forest controversy in the course of researching and writing two books about the subject, namely Conserving Biological Diversity in Our National Forests (The Wilderness Society, 1986) and Ancient Forests of the Pacific Northwest (Island Press, 1990).

As a marine ecologist who was not born in the Northwest, I had the advantage of approaching the issue with few preconceptions. I did not attend an elementary school that taught that forests are for logging. I did not attend a forestry school that encourages the "harvest" of "decadent" "old-growth" forests that are "biological deserts" in terms of wildlife and that need to be replaced with "young, healthy forests."

Having spent only a few days in ancient forests before 1986, I had only a visceral sense of how special the ancient forests are, and a visceral discomfort when I saw the ubiquitous clearcuts and tree plantation monocultures throughout the Northwest. But I did not have the scientific information needed to make a reasoned judgment.

I got that information by moving to the Northwest, by reading every scientific paper, book and newspaper article on the subject that I could find, by talking with every expert possible, and by experiencing the forests with my own senses: seeing, feeling, hearing, smelling and tasting them. I drove through them, hiked in them, climbed up into their tree-tops using mountain-climbing gear and flew over them in light planes. And what I learned convinced me that these forests are indeed special, and that only immediate, carefully-thought out action holds any chance of saving their unique values.

The figures that I give in my testimony today concern the middle and lower elevation ancient forests of Washington and Oregon that occur west of the crest of the Cascade Range. This is not because I think that other ancient forests in northern California, in the area east of the Cascades and at higher elevations are less important. Rather, it is because I am much less familiar with these forests, and because far fewer data are available. But it is important to note that the ancient forests of northern California and southern Oregon are probably the richest of all in terms of species, and that the ancient Douglas-fir and ponderosa pine forests east of the Cascades are probably even more endangered than those in the moister region to the west. I am less immediately concerned about the high elevation forests dominated by mountain hemlock and subalpine fir, for they are far less threatened, and substantial amounts are protected in national parks and wilderness.

Simply put, ancient forests are disappearing because of logging. In western Washington and Oregon, I have published calculations showing that at least 87% of the original ancient forest has been cut, and that, at the current rate of logging, all will be gone in a few decades. Virtually all is already gone on private lands. On federal lands including Olympic, Gifford Pinchot, Siuslaw and Siskiyou national forests, there is virtually no unprotected ancient forest that has not been severely fragmented by clearcuts and logging roads, and at current rates all of it will be gone within 18 years.

It is all too clear that two federal land management agencies, the Forest Service and the Bureau of Land Management, have not been managing these forests in any way that I understand the term managing; they have been destroying these ancient forests forever. It takes about 500 years for the characteristics of ancient Douglas-fir forests to develop to their fullest. But once these forests are logged, they are not being allowed to recover as the natural process of succession would allow. The federal land managers have not wanted to give the forests more than a 50, 80 or 110 years before subjecting them to the next round of logging.

And all that I know about conservation biology—I was the person who defined the term biological diversity and am a life member of the Society of Conservation Biology—all that I know suggests that, with 87% gone, too much ancient forest has already been lost. That is, in all likelihood, we have already gone past the point where we can prevent the extinctions of many species populations that need ancient forests. We have already lost many of the vital ecosystem services that ancient forests provide but that clearcuts and tree plantations do not.

We have already logged too much. And this is not just my opinion. It is the opinion of virtually every scientist I know who is familiar with the issue, including my colleagues in the Forest Service.

Indeed, the Forest Service is in the process of making a dramatic change. It has long seen itself as the agency that supplied the timber industry with the raw material for its mills. It has not managed the lands for multiple use, except as the other uses are compatible with logging. Many Forest Service employees have told me that the dominant "corporate culture" within the Service has viewed the timber industry as its constituents, and conservationists as its enemies. It has called the people who seek to protect the forests for the good of all now and in the future a "special interest."

But that is now changing very rapidly. More and more people within the Forest Service have come to realize that the Service has made grave errors, specifically by placing far too much emphasis on logging and far too little on conserving biological diversity. The Forest Service is now wrestling with ways of saving what is left of America's last great virgin forests while minimizing the harm to the industry it encouraged for decades.

I believe that, as this consciousness changes, the professionals of the Forest Service will become the ablest defenders of the last bits of ancient forests that they have logged nearly to oblivion, despite the overwhelming evidence from its record thus far. I think that, given a chance, the Forest Service can find ways to save ancient forest ecosystems and timber jobs too. The record of the Bureau of Land Management is much poorer, however, and there is much less evidence that the BLM is undergoing a similar change in its dominant way of thinking.

The process of changing the kind of forest management in the Northwest will not be painless, and it will not happen instantly. Ideas do not change overnight in an organization that has long been accustomed to serving one industry, rather than the interests of all Americans, for now and the future. But I think that we can expect very large changes in the Forest Service in the next few years.

That is why I favor legislation that would preserve to the greatest possible degree our options for the future. If, in the next few years, after comprehensive scientific investigation and meticulous economic analysis, we learn that all the scientists are wrong, that we can afford to eliminate some more ancient forest, then I would not object to the logging of whatever is not needed to protect the full range of ancient species and ecosystems. But if we learn that we have already gone too far, as my colleagues in the Forest Service and I suspect, the only way to preserve our options is by protecting these forests now. Not part of them, not 6.3 million acres or any other completely arbitrary amount, but all of them. We have long since passed the point where we could simply divide the baby in half.

We need interim protection until we know enough to make intelligent decisions. One of the tragic truths I have learned is that the land management agencies have very little comprehensive information about the forests they are charged with managing. The best information on how much remains and where it is lies in the hands of The Wilderness Society, which, in a project headed by Peter Morrison, has been working to quantify and map these forests for three years and has produced remarkable results.

But we have only begun to get the data we need to make decisions on whether we can afford to cut more or not. In the past, lack of information has not stopped us from irreversible logging. Right now, the only intelligent decision we can make is to preserve our options.

Let me remind you about some implications of what we are doing in the Pacific Northwest. In the Amazon Basin of Brazil, logging of the ancient forests is proceeding at an appalling rate of 1% per year, according to the widely accepted figures compiled by World Resources Institute. Approximately 12%, perhaps as much as 15% of the Amazonian forest is already gone, and with it we have lost the remarkable diversity of species and the vast amounts of carbon stored in the trees.

Sadly, the rate of destruction of ancient forests in our own Pacific Northwest is greater than that in Amazonia; at least 3% per year in unprotected forests, or more than 1.5% per year overall, a rate at least 50% faster than in Amazonia. Furthermore, the destruction is far more advanced, with 87% gone, rather than the 12-15% that has been lost in Amazonia. And the forests of the Pacific Northwest are far more fragmented than those of Amazonia.

Because appropriate studies have not been done, we can only guess how much this far more rapid loss of forest affects biological diversity in the Northwest. But we do know how bad it is for global warming, because the ancient forests of the Pacific Northwest store an average of 3 times as much carbon per acre as tropical rainforests. Every acre cut and burned adds far more to the greenhouse effect than a comparable area of Amazonian forest.

And we should be aware that there is one more crucial link between the two: When the United States urges nations like Brazil to stop destroying their ancient forests, they tell us that we first need to stop destroying ours. It may be that the most important reason to conserve our ancient forests is the example we set worldwide. Other nations watch what we do on the environment and take their cues from us. If this great nation knowingly destroys our last

and finest forests in the face of all the scientific evidence we now have, we cannot expect developing nations like Brazil to do anything else than continue on their disastrous course.

If we want others to save their forests, we have to set an example in our own Pacific Northwest. Not in ten years, or five, but now. These forests have already been overcut. There is no time left to dally. There is no time left to talk about balance. Once America had hundreds of millions of virgin forests, but nearly all of it is gone now. Once we had 19 million acres of ancient forest in western Washington and Oregon to divide up. But all but 2.5 million acres of it was logged by 1988. At the urging of the timber industry and its allies in government, we went past the point of balance in the 1950s or so. Now we must protect our ancient forests.

I need to address a few more points before I make specific recommendations regarding the bills that have been offered.

One is that the new forestry that many people are discussing, including myself, is not a cure-all that can compensate for decades of excessive, wasteful logging practices. It is not a way to manage ancient forests. It is a way to manage tree plantations to make them more closely resemble the natural forests that they replaced, so that we can recover some of the values that the natural forests had. Practicing new forestry techniques in tree plantations is probably the only chance we have to recover species that have lost the majority of their habitat, and it is the only way I can imagine to ensure the continuing productivity of the tree plantations.

The new forestry is not a replacement for preservation, but an essential adjunct, given that we have already logged too much. New forestry and preservation go hand in hand. Preserving ancient forests and practicing new forestry on lands already cut over is our only hope for providing habitat for spotted owls and salmon and tourism and timber industry jobs as well.

A second is that Congress, even more than the federal land management agencies, has played the dominant role in the destruction of ancient forests by setting the cut levels too high. You can't make trees grow faster than they can grow. Congress has demanding the logging of more forest than nature can replenish. If we are to take the pressure off the ancient forests, we must lower the cut level to a point that can be sustained on managed forestlands in perpetuity. Because of decades of overcutting, that level will have to be considerably lower than the current level.

Third, this is not a question of saving any one species such as spotted owls. Ancient forests are ecosystems having thousands of species, most of them virtually unstudied by scientists. There are many other species that are threatened at least as much as spotted owls. What we need to do is protect the full range of forest ecosystems in the Northwest and elsewhere. That is the only effective way to conserve all the species that need them. Aiming all efforts at protection at the habitat of spotted owls will allow many other species with different habitat requirements to slide towards extinction.

Fourth and last, we should not be protecting only ancient forests. There are a variety of forests that do not fit the criteria of the Forest Service-BLM

Old-growth Definition Task Group that published its definitions in 1986. Some are dominated by old trees but have fewer than the minimum criterion of the definition. Others are young stands that were initiated by fires that nonetheless have many of the structural characteristics of ancient forests. In a world where ancient forests will, sooner or later, succumb to disturbance, these younger forests play an essential role as the next generation of ancient forests. We should not assume that they are valueless and eliminate them.

And so, I will offer some recommendations. None of the legislation proposed thus far, and none of the organizations advocating specific legislation has adopted the set of recommendations in my book, Ancient Forests of the Pacific Northwest, which would address these issues. But my recommendations are largely in accord with H.R. 4492, the Ancient Forest Protection Act. And I urge this Subcommittee to stop the logging of ancient forests until we can make intelligent decisions on how much more, if any, can be cut without forever losing their values. This is the most important thing that we can do. My other recommendations are given in the last chapter of my book, and most of them agree closely with the Jontz bill.

But protecting ancient forests and their associated forests is not enough. Timber-dependent communities need help. With appropriate help, people who lose their jobs can find other jobs. The people who hunted the buffalo nearly to extinction had to find other jobs. The people who eliminated the last passenger pigeons had to find other jobs. The people who drove the great whales nearly to extinction had to find other jobs. Now the people who are eliminating the last ancient forests will have to find other jobs. We need to help them make the transition to logging tree plantations, or planting trees or building trails or making furniture or bringing tourists to see the world's finest coniferous forests.

It is no longer time to destroy the ancient forests, but it is time we came to grips with helping those who made their living by logging them. We as a nation should not just abandon these people. We must find a way of providing economic assistance of rural communities that are as much the victims of overcutting of ancient forests as spotted owls. That is why I favor some parts of H.R. 5295, the Ancient Forest Act that has been introduced by Representative Vento.

Combining the forest protection provisions of H.R. 4492 and the economic assistance provisions of H.R. 5295 would not address all the issues raised by the loss of our ancient forests, but it would be a vital step in the right direction. I complement this Subcommittee for examining these issues, and would be honored to help in the process of finding timely and just ways of saving our last ancient forests.

STATEMENT FOR THE RECORD
OF
STEVEN P. QUARLES
COUNSEL TO
AMERICAN FOREST RESOURCE ALLIANCE

Good morning. I appreciate the opportunity to testify before you today. I am Steven P. Quarles. I am a member of the law firm of Crowell & Moring and serve as litigation counsel to the American Forest Resource Alliance. Both the firm and the Alliance are located here in Washington, D.C.

I will focus my testimony on H.R. 5094, because this bill provides the most comprehensive treatment of the many problems undermining effective management of the national forests. It is not a parochial bill responding solely to the problems of one region. Nor does it substitute its judgment for the Forest Service's on how the national forest system should be managed. It is not a set-aside bill. It is, instead, a bill which emphasizes process. My colleagues on a previous panel -- officers of forest products companies and associations -- are better equipped than I to address substantive matters. As a lawyer and litigator, I am best able to discuss the process-related issues and provisions of H.R. 5094, particularly those concerning administrative and judicial appeals.

I will present my remarks in a reverse order to that common to Congressional testimony by beginning with detailed comments and progressing to general remarks. My first task will be to dispel a specific misconception about H.R. 5094 -- that is, discuss what the bill does not do. Then I will describe the major themes of the bill and how the bill achieves those themes -- that is, discuss what the bill does do. Finally, I will comment briefly on

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why enactment of this particular bill at this particular time is warranted.

I. WHAT H.R. 5094 DOES NOT DO: THE FALSE ISSUE OF ACCESS TO THE COURTS.

I begin with detail because one issue -- the frequently-voiced but fraudulent issue of judicial access -- should be addressed at the outset. I am sure members of this panel have heard repeatedly the lament that somehow the Administration, industry, and even segments of Congress are all threatening to deprive citizens of their constitutional right of access to the courts, and that H.R. 5094 is a prominent manifestation of this effort.

This assertion is wrong in several regards.

The short answer is that no such right is guaranteed by the Constitution. The Constitution does not accord an automatic right of access to the courts for equitable relief and the Congress may restrict such access. A particularly apt statement of this principal is found in the Congressional deliberations over the 1932 Norris-La Guardia Act. That Act sharply limited the jurisdiction of the courts to issue temporary or permanent injunctions in labor disputes. In considering the judicial access question, the Senate report (No. 163 at page 11) quoted favorably from a then-recent Supreme Court decision:

Certainly, it is not a right granted by the Constitution. * * * Only the jurisdiction of the Supreme Court is derived directly from the Constitution. Every

other court created by the general government derives its jurisdiction wholly from the authority of Congress. That body may give, withhold or restrict such jurisdiction at its discretion. * * * The Constitution simply gives to the inferior courts the capacity to take jurisdiction in the enumerated cases, but it requires an act of Congress to confer it. And the jurisdiction having been conferred may, at the will of Congress, be taken away in whole or in part. A right which thus comes into existence only by virtue of an act of Congress, and which may be withdrawn by an act of Congress after its exercise has begun, cannot well be described as a constitutional right. (Kline v. Burke Construction Co., 260 U.S. 226, 233-234 (1922)) (citations removed).

The longer answer -- and the only one relevant to H.R. 5094 -- is that this threat of denied access to the judicial system is a figment of imagination. Put simply, H.R. 5094 does not restrict judicial access.

H.R. 5094 does take three steps which those who dwell on the judicial access issue have found alarming.

- it bars preliminary injunctions;
- it limits the basis for challenging timber sales and other actions which implement forest plans to whether those actions are consistent or inconsistent with the plan; and
- it prohibits challenges of plan implementing actions on the basis of new information.

Those who continue to subscribe to one of the primary purposes of the national forest system articulated in the 1897 Organic Act -- "to furnish a continuous supply of timber for the use and necessities of citizens of the United States" -- might have preferred that H.R. 5094 stop right there with those three steps. But the bill does not do so. And because the bill does

not, it cannot be fairly said that H.R. 5094 inhibits litigation or the ability of anyone to seek redress for alleged injuries in the courts.

To the contrary, the bill is aggressively innovative in according full protection to litigants. It is particularly solicitous of the plaintiffs in national forest litigation, those who are responsible for consigning national forest management to the judiciary.

As to the preliminary injunction bar, there can be no doubt that preliminary injunctions are hamstringing forest plan implementation. First, they are being issued increasingly on only the flimsiest assertions of environmental harm and despite evidence of very real societal injury in terms of lost jobs, severe interruptions in public services, and devastated families and communities. Second, preliminary injunctions have prolonged greatly the resolution of the real issues addressed by litigation and thus lengthened the paralysis in forest management. They have compelled the courts to conduct in effect two trials instead of one -- the first on the injunction motion; the second on the merits. And that second trial too often is placed at the very end of the court's docket, because the court wrongly assumes that the preliminary injunction protects the status quo and removes any necessity for prompt disposition of the litigation.

By barring preliminary injunctions, H.R. 5094 would cut in half the number of judicial hearings required for most national

forest lawsuits and permit the courts to move more quickly to resolve the cases on the merits.

Just the same, environmentalists and other litigants who oppose timber sales will argue that without preliminary injunctions their judicial victories would be hollow because the trees would have already been harvested by the time the courts decide. This argument is unfounded, however, because of a creative provision in H.R. 5094. The bill proffers a more certain and complete substitute for the preliminary injunction and one that does not burden the courts. It mandates automatic stays of the disputed timber sales or other irreversible actions during the course of litigation. Under the bill, those who would otherwise seek preliminary injunctions would obtain the same results without the cost of briefing and court appearances.

Similarly, H.R. 5094 preserves access to the courts even as it adopts plan consistency as the basis for litigation over plan implementing actions and bars challenges on the basis of new information. The bill provides an innovative procedure for litigating any other issues concerning implementing actions.

Too often timber sales and other implementing actions are challenged on issues that were thought to be resolved in the forest plan -- indeed, issues that were raised and fully addressed in forest plan appeals and lawsuits. It is surely improper, a waste of judicial resources, and destructive of the integrity of forest plans, to permit parties who have lost issues in litigation

over plan preparation to litigate the same issues again repeatedly in challenges to implementing actions.

In the same regard, if new information developed after plan completion calls into question the wisdom of implementing actions -- particularly implementing actions, like timber sales, which occur continuously over the life of a plan -- the best way to assure thorough consideration of the new information and its implications for balanced forest management is through a plan amendment not repetitious lawsuits over the individual actions. During a plan amendment, a full array of alternatives can be considered with opportunities for the entire public, not just litigants, to participate in the process.

Again, however, those who wish to challenge implementing actions on grounds other than inconsistency with the plan will cry foul. They will maintain that to bar such challenges is to freeze the plan into an inflexible document which may become outdated or irrelevant to emerging issues of forest management.

This argument is also unfounded, again because of constructive provisions in H.R. 5094. The bill directs those potential litigants not to challenge the discrete implementing action but to file instead a "petition for plan amendment or revision." Then if the petition is accepted, the litigant will have won a much bigger victory because the new information or other issue will be incorporated in the plan governing all actions in the forest. On the other hand, if that petition is denied, an

administrative record of the reason for denial will have been made and that decision can be challenged immediately in the courts.

**II. WHAT H.R. 5094 DOES DO: REDUCING THE PAIN AND
INCREASING THE EFFECTIVENESS OF LITIGATION**

H.R. 5094 is not intended to reduce the incidence of litigation or erect barriers to the courts. Instead, the bill's purposes are to diminish the fruitless and costly delays which accompany litigation and to channel litigation where its resolution can be implemented most effectively, with the least disruption to ongoing forest management.

There will always be litigation over the management of national forests. The interests of various user groups are simply too diverse and too strongly held to ever achieve a mythical consensus that would immunize forest plans and plan implementation from judicial challenge. Having said that, with creative thinking by Congress and the good will of the same interest groups, litigation can be better accommodated and its intrusive effects significantly reduced. H.R. 5094 would accomplish this first by striving to resolve litigable issues administratively. It would do this by --

- requiring all litigants to first participate in the plan or implementing action decisions and then seek resolution of any remaining issues they may have in administrative appeals.

No issue should be raised for the first time in court. Whenever this happens, the Forest Service is deprived of the opportunity of resolving the issue administratively without resort to litigation, and the

court will be compelled to hear the issue without the considered judgment of the agency professionals or the benefit of an applicable or relevant administrative record.

- requiring that litigation issues which arise after a plan is published be first raised in a petition for plan amendment or revision.

This offers the opportunity to the agency to apply its expertise and determine whether, in its view, the issue is genuine and can be resolved within the planning process. Only if the agency denies the petition, is the issue thrown to the courts.

Second, the bill seeks to reduce the principal adverse effect of litigation -- delays. It would do this by:

- setting deadlines for filing litigation after plans are published, policies are adopted, or implementing actions are announced.

Once the deadline is past, the forest managers can implement the plan, policy or action without fear that future litigation will halt them at the last minute. This is not an onerous requirement. Particularly if, as H.R. 5094 does, litigants are required to have participated in the original decisionmaking and brought an administrative appeal, they are already fully acquainted with the issue and should be required to decide whether to pursue judicial redress in a timely manner. Conversely, they should not be allowed to bide their time merely for the sake of convenience, or to play the issue in the press when it is most visible, or to attack the agency when it is most vulnerable, having already expended considerable time and funds in preparations for the implementing action.

- ensuring that litigation is conducted on the basis of administrative records without the need for lengthy trials de novo in the courts.

So long as litigants believe that the courts will be lenient in allowing full blown trials, mini-trials of experts, or even the admission of additional, extra-record material, they will not feel compelled to present their case fully for agency consideration during the administrative processes and appeals. This diminishes the

likelihood of administrative resolution of the issues and prolongs the life of litigation.

- placing litigation over forest plans in the circuit courts of appeal.

The Administrative Conference of the United States has recommended that litigation be brought directly to circuit courts when the record of the agency is adequate for review as is the case with forest plans. As virtually all forest plan litigation is expected to be appealed to the circuit courts in any case, both judicial economy and the interest of prompt decisions are served by requiring direct review. The Administrative Orders Review Act (28 U.S.C. §§ 2341, 2342) mandates direct review by courts of appeals for various decisions of the Secretaries of Agriculture, Housing and Urban Development, and Transportation; the Federal Communications Commission; the Nuclear Regulatory Commission; and the Interstate Commerce Commission. The Pacific Northwest Electric Power Planning and Conservation Act, a natural resource planning statute more analogous to H.R. 5094, requires that litigation challenging the decisions of the planning Council created by the Act be brought directly to the circuit court (16 U.S.C. § 839f(e)).

- setting time frames within which litigation must be heard and rulings reached.

This, together with the deadlines for filing litigation, would substantially limit litigation-induced management paralysis. Issues which must be litigated will be resolved before the disputed plan, implementing action or policy becomes obsolete, and its purpose is frustrated. With the elimination of preliminary injunction hearings and the requirement that litigation be limited to the administrative record, the time frames proposed by H.R. 5094 are eminently reasonable. The Administrative Orders Review Act provides a 90-day deadline for filing litigation (28 U.S.C. § 2344). Precedent more to the point: the Pacific Northwest Electric Power Planning and Conservation Act has 90-day deadlines for challenging decisions of the Council and the Bonneville Power Administration and a 60-day deadline for litigating the final regional electric power and conservation plan (16 U.S.C. § 839f(e)(5)); and the Mineral Leasing Act has a 90-day deadline to challenge all decisions of the Secretary of the Interior involving onshore oil and gas leases (30 U.S.C. § 226-2).

- barring preliminary injunctions and providing instead for statutory stays of the challenged agency action during the litigation's pendency.

As I discussed previously, this novel approach provides the plaintiffs with full protection without requiring the courts to hear the same case twice -- once for the preliminary injunction motion and a second time on the merits.

Third, H.R. 5094 would seek to avoid unnecessary litigation by focusing litigation on forest plans and not implementing actions. By doing this, it ensures that problems are resolved once in the context of the plan to which all future implementing actions must adhere rather than repeatedly in litigation challenges to contemporaneous or succeeding implementing actions. It also increases the likelihood that the resolution will hold because it will be forged in the more thorough and inclusive planning process with its wide-ranging analysis of alternatives and multiple opportunities for citizen participation. H.R. 5094 would focus the litigation on planning by --

- requiring that litigation over implementing actions must be limited to the issue of whether they are consistent or inconsistent with the governing forest plan.

This increases the incentive for potential litigants to pursue their concerns fully in the plan preparation process.

- directing that litigation over plan implementing actions involving other issues be raised first in the form of petitions to the Secretary for plan amendment or revision.

If the petition is denied, then litigation will ensue but over the question of whether the plan should be amended, not whether a single implementing action should be stopped in spite of what the plan says.

III. THE NEED FOR H.R. 5094

H.R. 5094, I believe, remedies a profound weakness in the statutory scheme for the national forests. In 1976, with the enactment of the National Forest Management Act, Congress made a fundamental commitment to planning as the principal method for allocating increasingly scarce resources of the national forests. But the job is only half done. The statute is misnamed; it should be titled the National Forest Planning Act. It simply does not address "Management" of forest lands. It devotes single-minded attention to the process for preparing, and the contents, of forest plans, and ignores their implementation. Not surprisingly, the agency has followed Congress' lead. Some 26 pages of the Forest Service's rules in the Code of Federal Regulations cover the planning process in detail while exactly one paragraph is devoted to plan implementation.

This lack of statutory guidance or agency direction has gone largely unnoticed for the last decade and a half because plan implementation was not at issue. Only now, with the monumental task of preparing 123 forest plans concluding, is attention drawn to the importance of implementing these plans. During the course of planning, we have watched projected timber sale volumes drop -- in some cases dramatically -- from historic levels. We have fought hard in the planning process to ensure a timber supply that will sustain communities and jobs. By any measure, we have not met with resounding success.

However, we thought the worst was over -- that, at last, the plans had accommodated the increasing demands for other forest uses and for greater protection of the environment and, at least, the reduced sale levels projected in the plans would be met. In short, we believed the Congressional commitment to planning and the countless hours and millions of dollars spent in preparing forest plans had some value. Tragically, our assumptions have been proven false.

While the Forest Service pays homage to the plans, those documents bear little or no resemblance to forest management. This failure to implement plans is generating a cynicism which threatens the very principle of forest planning among companies, communities, and families dependent on the forests for their livelihood.

H.R. 5094 would remedy this condition. It does not eliminate or alter existing provisions or environmental standards in the National Forest Management Act; instead, it would simply provide the missing direction on how plans are to be implemented.

The American Forest Resource Alliance, which I serve, believes that at this crucial juncture in the history of the national forest system -- with impending completion of the forest plans -- Congress must finish its work by providing a statutory charter for plan implementation. Because H.R. 5094 would do just that, we urge its enactment.

**STATEMENT FOR THE RECORD
OF
WILLIAM R. MURRAY
COUNSEL
AMERICAN FOREST RESOURCE ALLIANCE**

Good morning. I am William R. Murray, Counsel for the American Forest Resource Alliance. I would like to thank the members of the Subcommittee for allowing me to testify today. Together with me on the panel today is Steven P. Quarles, outside counsel to the Alliance.

The Alliance, which is located in Washington, D.C., is a coalition of companies, organizations, communities, and individuals all dedicated to the wise use and renewal of America's forests. Many of the Alliance's members are dependant in whole or in part on the national forests or public lands for their raw material supply. As Counsel, I follow legal issues and litigation which affect this supply. I advise our members as to the existence and significance of these issues and, hopefully, as to their solution. One of the more intractable issues is, and has been for some time, the delay and uncertainty occasioned by administrative appeals and judicial litigation over national forest plans and plan implementation.

Congress enacted the National Forest Management of 1976 in part to strengthen and improve the management of national forests. Section 6 of this statute sets out a number of criteria and procedures for this purpose. Congress' recognition that management of the Nation's renewable resource would be highly complex is borne out by the amount of time and resources which the Forest Service has devoted to the preparation of these land

and resource management plans for each national forest. The Forest Service has spent almost over \$250 million dollars since 1976 to develop the first round of forest plans and still has not completed plans for twenty forests in Regions 5 and 6, the regions that produce the most timber.

When the Forest Service does adopt a plan, one consequence which Congress did not anticipate in 1976 is the extent to which administrative appeals and subsequent litigation have been filed. Currently, 44 of the 103 final forest plans are subject to pending appeals. In addition, 10 forest plans are subject to litigation in Federal court (Rio Grande, Superior, Cleveland, Humboldt-Toiyabe, Idaho Panhandle, Flathead, Bighorn, Nicolet, Ouachita, and Texas).

The number of administrative appeals pending before the Forest Service increased 540 percent from the beginning of FY 1985 to the beginning of FY 1990 -- from 163 appeals pending on October 1, 1985, to 1043 on October 1, 1989. In FY 1989, the Forest Service received 110 plan appeals, 562 timber sale appeals and a total of 1,291 appeals. In the first half of FY 1990, the Forest Service received an additional 1,048 appeals including 64 plan appeals and 700 timber appeals.

The FY 1989 numbers represent a decrease from FY 1988, primarily because a substantial portion of the timber sales

program was enjoined by a matrix of litigation and therefore never offered for sale. Thus, FY 1988 is more characteristic of the sales appeal problem. In FY 1988, 759 appeals were filed on the 4,199 larger advertised timber sales which constitute over 90 percent of the volume in the Forest Service's timber sales program. As a result of the increase in the number of appeals, the average time necessary to process an appeal has also increased to the point that the appeal process is a time-consuming effort for all concerned.

Cases exist where plans finalized as much as five years ago have not been implemented due to appeals which are still pending. The Hoosier National Forest, located in southern Indiana, completed its land and resource management plan, or forest plan, in September 1985. Under the plan, the Forest Service intended to produce an annual allowable sale quantity of 11 million board feet of timber. While this volume may seem small by Northwest standards, the Hoosier National Forest has been a significant source of quality hardwood timber for the forest products industry in southern Indiana.

However, in 1985 the new forest plan was appealed by the Sassafras and National Audubon Societies, the timber sale program was halted entirely, and the Hoosier National Forest eventually began preparation of a plan amendment with 8 new alternatives under consideration. After nearly five years, no decision has

been issued on the appeals and no new timber management activities have been allowed. The public comment period on the draft plan amendment is scheduled to close at the end of this month. New challenges of the forest plan are expected once the amendment is finally issued next year.

It is untenable that a forest plan can be so many years in the making, and then, once finalized, never be implemented. Clearly, procedural changes are needed to assure that decisions may be made, differences resolved in a timely fashion through appeals and litigation, and plans implemented within a reasonable amount of time.

This situation is exacerbated further in some cases by litigation following the Chief's decision. The rapidly increasing number and complexity of national, state, and even local environmental group lawsuits have further reduced or delayed available sales offerings. Last year, over 2.3 billion board feet of federal timber sales were enjoined, with another 1.5 billion board feet delayed. Congress was required to act in what many consider a precipitous fashion to break this deadlock. While the Northern Spotted Owl accounted for the Congressional intervention, it is only a part of a larger picture of appeals and litigation designed to stop the sale of federal timber.

At the end of last December, the Oregon Natural Resources

Council called upon "Forest Conservation Leaders" to assist in the appeals of timber sale decisions soon to be released by national forests in the Forest Service's Region 6. ONRC's letter states, "[t]o what extent this potential flush of decision notices is purposely intended to flood us with more decisions than we can ever hope to thoroughly evaluate is open to speculation. . . . This memo is to inform you that conservationists will soon be faced with doing massive numbers of appeals. We would welcome the help of your organization reviewing these sales." To help these organizations the ORNC has made its principal boilerplate arguments available on computer "disk (MacIntosh or IBM-PC)."

Appellants and litigants seem to recognize no need for emergency action to salvage fire- or insect-damaged timber in order to recover it before it deteriorates, to remove a continuing fire hazard or to satisfy other critical forest management needs. The efforts by the Forest Service to hold salvage sales as part of the recovery program following the 1987 forest fire in northern California generated lawsuits which still prevent salvaging a significant amount of timber. In Texas, the Federal court only recently allowed the Forest Service to take measures to control insect infestation that threatened red-cockheaded woodpecker habitat.

These increases in both the number of appeals and in

processing time have been costly to the Forest Service. The amount that the Agency is spending to deal with timber sale appeals has more than tripled in the five fiscal years surveyed. For all appeals in FY 1989, the Agency estimates that it spent \$6.25 million. The Agency also estimates that it spent \$2.21 million in litigation expenses during the same period. These figures do not include costs incurred by the Office of General Counsel staff involved with the process.

The effects of all of this on the Forest Service's programs and personnel have been debilitating. With respect to litigation in particular, the Agency has been forced to continually redo timber sale preparation and environmental documentation work as judicial standards have evolved and been applied retroactively to timber sales that were already prepared and not yet offered for sale. As a consequence of these extraordinary retrofit costs, the Forest Service's FY 1991 budget was a source of considerable dispute between the Forest Service and the Office of Management and Budget. OMB was seriously concerned that the Forest Service's unit costs for timber sale preparation and administration rose dramatically.

This increase in unit costs should be no surprise given the number of personnel increasingly diverted to responding to appeals and litigation, and away from substantive forest management. Simply stated, costs have been increasing as rapidly

as the appeals and lawsuits have increased. This has resulted in a substantial amount of backsliding in what was an increasingly cost-efficient timber sale program, and has reduced the overall profitability of the timber sales program for the U.S. Treasury. It has also resulted in the transfer of Forest Service personnel time into the office, and away from the day-to-day management of the land resource with which the Agency's personnel are entrusted.

Finally, the fear of appeals and litigation has had an impact independent of the actual appeals and lawsuits. First, the impact of this increase in frequency and militancy of appellant activity is having a chilling effect on the initial offer of timber sales in several Forest Service regions. From FY 1986 to FY 1988 the Forest Service estimates that 90 sales involving 590 million board feet of volume that were scheduled to be offered for sale were withdrawn under the threat of appeal or litigation. For the most part, these sales have not found their way back onto the market. Obviously, the situation was substantially worse in FY 1989 due to the court injunctions.

Even beyond the Forest Service's inability to offer timber sales as I just described, the Agency is now demonstrating a further -- and even more disturbing -- unwillingness to use its forest plans, where they are final, to resolve new conflicts that arise during plan implementation. Instead of proceeding with

plan amendment procedures required by the National Forest Management Act (NFMA), the Agency's regulations, and direction contained in the Forest Service Manual and Handbook, the Forest Service has responded to new challenges by adopting interim guidelines or policy changes which conflict with the plans themselves.

The Southern Region's actions to change management practices for the protection of the Red-Cockaded Woodpecker is a case in point. Under challenge that existing guidelines -- approved by the U.S. Fish & Wildlife Service and incorporated in final forest plans -- were not adequate to protect the species, the Forest Service altered its management practices throughout the South without: (1) complying with the National Environmental Policy Act (NEPA) and NFMA procedures for plan amendments; or (2) even demonstrating that the new practices would further protect or improve the habitat for the woodpecker. Similarly, Region 6 implemented an old growth policy by ignoring the procedural requirements of NFMA and NEPA, and Region 5 announced an "Environmental Agenda" as Mr. Tomascheski described to you earlier while also ignoring these statutes.

The Agency's complete lack of confidence in the forest planning process is of great concern. It implies that the Agency is not merely shying from possibly controversial timber sale decisions, but more fundamentally has lost the fortitude to

embrace its final forest plans as a working tool. It suggests that the fear of appeals and litigation is leading the Agency to ignore its own procedural requirements in an ad-hoc attempt to placate potential plaintiffs in any way that seems appropriate given the circumstances presented at a particular point in time. This is a clear indication that the Agency is confused and has lost its way in threading through the morass of appeals and litigation that it now faces.

I appreciate the opportunity to testify. I will be happy to respond to any questions.

STATEMENT OF
KEVIN KIRCHNER, STAFF ATTORNEY
SIERRA CLUB LEGAL DEFENSE FUND

Thank you, Mr. Chairman and members of the Subcommittee. My name is Kevin Kirchner and I am an attorney with the Sierra Club Legal Defense Fund. The Legal Defense Fund is a non-profit, public interest law firm, separate from the Sierra Club, that represents citizen groups in litigation to protect our nation's natural resources and to enforce federal environmental laws. In 1989, the Legal Defense Fund represented more than 70 organizations (with combined memberships of several million individuals) in over 40 lawsuits, many of them against agencies of the federal government for failure to comply with environmental laws.

We appreciate the opportunity to present these views on the legislation that is before the Subcommittee today. Our testimony will focus on provisions of the pending bills that directly or indirectly limit the ability of citizens to challenge -- and of courts to review and enforce -- Forest Service compliance with environmental laws.

In particular, we are opposed to H.R. 5094 because it contains numerous provisions that seriously undermine existing environmental laws and unjustifiably interfere with long-established judicial and administrative processes.

We are not alone in our opposition to these and other efforts to limit citizens' access to the courts. In June, a broad-based coalition of public interest groups asked House and Senate members to oppose re-enactment of the restrictions on judicial review contained in sections 312 and 318 of the FY 1990 Interior and Related Agencies Appropriations Act. The original letter was signed by 37 organizations and subsequently received the endorsement of three other groups: the League of Women Voters of the U.S., the Oregon Trial Lawyers Association, and Equal Rights Advocates. I request that their letter be made a part of the hearing record.

In addition, 70 House members recently joined with judiciary subcommittee chairmen Bob Kastenmeier and Don Edwards in asking the House Appropriations Committee not to include any restrictions on judicial review in the FY 1991 Interior Appropriations Act.

Finally, Attorneys General from 15 states around the country wrote House Speaker Foley and Senate Majority Leader Mitchell yesterday urging them to oppose any efforts to exempt the Forest Service and other federal agencies from compliance with environmental laws.

These letters are a strong indication of the depth and breadth of opposition to any proposals that would put federal agencies above the law by insulating their activities from review in the courts.

H.R. 5094 -- The "National Forest Plan Implementation Act"

Under the guise of bringing "stability and certainty" to national forest planning and management, H.R. 5094 uses a back-door approach to sabotage the National Forest Management Act (NFMA), the National Environmental Policy Act (NEPA), the Endangered Species Act, and a host of other environmental laws.

This bill, which was written by the timber industry, implicitly acknowledges that direct amendments to NEPA and the Endangered Species Act would likely be impossible. Instead, it severely restricts -- and in some cases eliminates -- citizen participation in and

judicial review of Forest Service activities in every national forest across the country. The result: our nation's forests will be turned into tree farms as logging becomes the pre-emptively dominant use of the national forests.

We are sympathetic with the loggers, truckers, and millworkers whose livelihoods have been jeopardized by timber-industry profiteering through increased log exports and automation. But the industry's solution, which would be codified by H.R. 5094, is to log our remaining forests in violation of existing laws – and to prohibit enforcement of those laws by insulating Forest Service activities from review in the courts.

Mr. Chairman, we do not believe that anyone's economic interests justify putting the federal government above the law. Government agencies like the Forest Service have the same obligation to obey the law as individual citizens like you and I. I seriously doubt any of us would suggest that Exxon or Union Carbide should be exempted from environmental laws because complying would put people out of work. The Forest Service should no more be exempt from laws protecting forests, fish, water, and wildlife than should Exxon or Union Carbide.

Yet that is precisely what H.R. 5094 proposes to do. From its findings to its finale, this bill is flawed and should not be enacted.

The Underlying Assumptions Are Inaccurate or Misleading.

In its seventh finding, H.R. 5094 alleges that forest management problems in various national forests have been caused by "appeals and litigation." The eighth finding states that management decisions are better made by forest professionals than through litigation.

Both claims misrepresent the situation.

Appeals and litigation are not the cause of forest management problems.

First, it is patently clear that "appeals and litigation" are not the cause of forest management problems on the national forests. It would be equally absurd to claim that Cassandra was responsible for Troy's fate.

This claim is another example of the "shoot the messenger" philosophy that underlies the timber industry's latest effort to log our remaining ancient forests.

It is a common misperception that courts will issue an injunction against the Forest Service or BLM whenever an environmental group drops a letter in the mail requesting one. In fact, a primary rationale for the judicial review restrictions contained in recent appropriations riders is that there have been "severe abuses of the judicial process".¹

These claims are wholly unsupported by the facts. In particular, there is no merit to

¹ 135 Cong. Rec. S.12963 (daily ed. Oct. 7, 1989) (Statement of Senator Gorton re: Section 318).

any implication that courts routinely grant injunctions against federal land managing agencies without regard to the merits of the plaintiffs' claims. The rules for obtaining preliminary relief in the courts are well-established, and citizens challenging the activities of federal land managing agencies must satisfy those rules just like everyone else.

Before a court will issue a preliminary injunction, a plaintiff must prove that:

- (1) there is a strong likelihood of success on the merits;
- (2) the balance of irreparable harm favors the plaintiff; and
- (3) the public interest favors issuing an injunction.

The stringency of the judicial standards governing preliminary injunctions is demonstrated by the fact that courts have denied requests for injunctive relief in the majority of cases in the Northwest filed against timber-managing agencies. Since passage of the Oregon and Washington wilderness bills there have been just 20 judicial challenges to timber sales on federal lands in these states. In only six have the plaintiffs obtained either preliminary or permanent injunctions; of these, only three involved more than one timber sale, and only two injunctions survived until final judgment.¹ In three other cases, the Forest Service withdrew challenged timber sales either without the need for court action or

¹ Of the three cases involving challenges to more than a single timber sale, two, Seattle Audubon Society v. Robertson, No. C89-160WD (W.D.Wa.) and Portland Audubon Society v. Lujan, No. C89-1169-FR (D.Or.), involved preliminary injunctions and concern the northern spotted owl. In both of these cases, the courts found evidence of fundamental illegalities by the Forest Service and BLM and, as a result, the injunctions issued were commensurately broad: All Forest Service timber sales were enjoined in tracts of known spotted owl habitat larger than 40 acres; all BLM sales within 2.1 miles of known owl sites were enjoined. The third injunction involving more than one timber sale, National Wildlife Federation v. U.S. Forest Service, 592 F.Supp. 931 (D.Or. 1984), resulted in a permanent injunction and concerned adverse water quality effects of logging activities in the Mapleton District of the Siuslaw National Forest.

Two of the remaining injunctions – Pilchuck Audubon Society v. MacWilliams, 19 ELR 20526 (W.D.Wa., Jan. 15, 1988), and Oregon Natural Resources Council v. Mohla, No. C88-1277MA (D.Or.) – concerned at least in part the Forest Service's failure to disclose and analyze new information about ancient forests. The third injunction was recently issued in the Seattle Audubon Society (SAS) case against the Forest Service for failing to comply with the requirements of Section 318 of the FY 1990 Interior Appropriations Act when preparing the Cowboy timber sale. The MacWilliams injunction survived until final judgment and the SAS injunction was issued in conjunction with a summary judgment against the Forest Service. In Mohla, the district court dismissed the case for lack of jurisdiction; the Ninth Circuit issued an emergency injunction pending appeal that was dissolved shortly after oral argument, and ultimately affirmed the lower court.

following a district court denial of the request for injunction.³

In all of the other cases, including several in which the courts found that the Forest Service was likely acting illegally, the plaintiffs were denied injunctive relief.⁴ This record

³ Washington Dept. of Wildlife v. Stubblefield, No. C87-6387Z (W.D.Wa.) (court denied preliminary injunction; agency subsequently granted administrative appeal and cancelled timber sale contract while suit was on appeal); Oregon Nordic Club v. Mohla, No. 88-967-RE (D.Or.) (Forest Service withdrew sale following filing of complaint); and Oregon Natural Resources Council v. Grossarth, No. 89-6451E (D.Or.) (Forest Service withdrew sale following receipt of complaint).

⁴ Only two of these cases involved challenges to more than one timber sale: Okanogan Wilderness League v. McLaughlin, No. 89-064-AAM (E.D.Wa.) (challenge to Timber Management Plan for lacking an EIS; court found likely NEPA violation but denied preliminary injunction); National Wildlife Federation v. U.S. Forest Service, No. 88-752-RE (D.Or.) (challenge to salvage logging of Silver Fires on the Siskiyou National Forest for alleged violations of NEPA, Clean Water Act, and NFMA; NEPA violation found but preliminary injunction denied; 9th Circuit denied emergency injunction pending appeal). In both of these cases the courts determined that the Forest Service was likely violating the law but nonetheless declined to issue injunctions.

The remaining cases all involved individual timber sales: Loveland v. U.S. Forest Service, No. 86-364-JU (D.Or. 1986) (challenge to timber sale on Willamette National Forest based on alleged violation of NEPA for failure to consider old growth ecology. Temporary restraining order denied; sale logged); Oregon Natural Resources Council v. Forest Service, 834 F.2d 842 (9th Cir. 1987) (challenge to North Roaring Devil timber sale on Willamette National Forest based on alleged violation of Administrative Procedures Act and NEPA. District court denied request for preliminary injunction, emergency injunction granted by 9th Circuit, which reversed; on remand district court denied preliminary injunction. Sale logged.); Headwaters v. BLM, No. 89-6016 (D.Or.) (challenge to Wilcox Peak timber sale on the Medford District for alleged violations of NEPA, O&C Act, and FLPMA. Preliminary and permanent injunctions denied); ONRC v. Lyng, No. 88-680-TA (D.Or.) (challenge to Duck Creek timber sale on the Wallowa-Whitman National Forest in the Hells Canyon National Recreation Area based on violation of NEPA and HCNRA. Temporary restraining order granted, preliminary injunction denied, emergency injunction pending appeal denied; 9th Circuit reversed in part); Sierra Club v. Block, 9th Cir. No. 84-3956 (challenge to Pyramid timber sale in the Willamette National Forest for alleged violation of NEPA. Preliminary injunction denied. Sale logged. Case dismissed as moot); Citizens Task Force v. Forest Service, 9th Cir. No. 87-3505 (challenge to Duck Soup and Sad Traverse sales on Willamette National Forest for alleged violation of NEPA and Administrative Procedures Act. Preliminary injunction denied. Sale logged); ONRC v. Forest Service, No. 89-401-MA (D.Or.) (challenge to Prophecy fire salvage timber sale in roadless area for alleged violation

(continued...)

hardly supports a claim that the judicial process is being abused or that the federal courts are running roughshod over the Forest Service and BLM.

Moreover, the General Accounting Office (GAO) issued a report in February 1989, which concluded that nearly all of the delays of appealed sales were due to problems the Forest Service had experienced in conducting environmental analyses.⁸ Perhaps more importantly, the GAO found that:⁹

- (1) only six percent of the timber sale volume offered in Regions I and VI in fiscal years 1986 and 1987 was appealed; and
- (2) less than one percent of the total timber sales volume was delayed by these appeals.

Thus, it is clear that neither litigation nor administrative appeals can be blamed for Forest Service management problems. Rather, the root of those problems can be found in the agency's failure to carry out its responsibilities faithfully under NEPA and the NFMA.

Courts are not making professional forest management decisions.

The instruction that professional management decisions are being made through litigation is equally fallacious. The courts are determining whether or not Forest Service decisions comply with existing laws -- not imposing new requirements not already in the statutes and regulations. In short, the courts are no more telling professional forest managers how to run the forests than a judge who fines a speeder is telling a driver how to operate an automobile.

The Proposed Ban on Issuance of Preliminary Injunctions is an Open Invitation to Administrative and Environmental Abuse.

H.R. 5094 contains a proposal that would prohibit courts from issuing any "restraining order, preliminary injunction, or injunction pending appeal" with respect to any

(...continued)

of NEPA. Sale logged before preliminary injunction was decided. Case dismissed because area was no longer roadless; *Headwaters v. BLM*, No. 87-1275 (D.Or.) (challenge to Two T's timber sale on Medford District for alleged violation of FLPMA. Preliminary injunction denied; emergency injunction denied in 9th Circuit. Sale logged. Case dismissed as moot); *Headwaters v. BLM*, No. 87-6233 (D.Or.) (challenge to Humpy Mountain timber sale on Medford District based upon alleged violation of NEPA. Preliminary injunction denied. Sale logged. Case dismissed as moot).

⁸ Forest Service: Information on the Forest Service Appeals System (GAO/RCED-89-168R, February 16, 1989). See also Information on the Forest Service Appeals System (Statement of John W. Harman, GAO/RCED-89-43, May 18, 1989).

⁹ *Id.*

Forest Service plan, regional guidance, or implementing activity.⁷ This provision, coupled with the exhaustion of remedies mandate in sections 302, 303, and 304, could allow a Forest Service timber sale to be offered, awarded, and logged before a court even had an opportunity to determine whether that sale complied with the law.

Although the bill does require the Forest Service to withhold any irreversible actions for a fixed period of time once a lawsuit is filed, there is no way to stop even potentially illegal activities prior to a final decision by the agency. In addition, if the court fails to issue its ruling within the fixed time frame – even if the delay is required by the Constitution – the Forest Service would be allowed to proceed.

As a result, it would invite bad decision-making: without the threat of judicial intervention in appeals of actions with irreparable consequences, the Forest Service would be encouraged to act slowly on appeals and to deny requests for stays. Congress should be discouraging, not encouraging, such agency conduct.

H.R. 5094's Requirements for Challenges Based on "New Information" Eviscerate NEPA, NFMA, and other Environmental Laws.

Perhaps the most damaging provisions of H.R. 5094 are those limiting – and eliminating – challenges to forest management decisions based on new information.⁸

At the heart of NEPA and the National Forest Management Act (NFMA) is the requirement that activities affecting the environment be fully analyzed prior to being implemented. Under NEPA, federal agencies "have a continuing duty to gather and evaluate new information relevant to the environmental impacts of their actions."⁹

H.R. 5094 eviscerates this mandate by barring administrative or court appeals of forest plans without first petitioning the agency for an amendment to the forest plan, having the petition denied, and exhausting all administrative appeals of the denial. Worse still, a "new information" claim can never be raised in a challenge to timber sales or other implementing activities.

H.R. 5094, in a blind rush to lock in finality, would lock-out intelligent decision-making based on current information. Rather than encouraging the Forest Service to gather information and update decisions, as required by NEPA, H.R. 5094 adopts a bunker mentality by severely limiting, or eliminating, challenges based on new information.

Moreover, even where citizens have gone through the administrative hoops and proved in court that the Forest Service failed to consider new information, the relief allowed by H.R. 5094 is completely inadequate. Whenever a court enjoins a plan on any

⁷ Section 305.

⁸ See Sections 301, 302, and 304.

⁹ Southern Oregon Citizens Against Toxic Sprays v. Clark, 720 F.2d 1473, 1480 (9th Cir. 1983).

basis, including a failure to consider new information, the Forest Service is required to substitute an old plan for the challenged new one.

But old plans plainly will not have addressed new information. Thus, H.R. 5094 would essentially require the Forest Service to ignore significant new information, while continuing to make environmentally destructive decisions. And the old plans would not be subject to any judicial review unless someone could be found who met H.R. 5094's new standing requirements. This is a highly unlikely prospect given the age of most of those plans and the fact that most of them pre-date the extensive public participation requirements of the NFMA.

In short, H.R. 5094 would provide a disincentive for agencies ever to address new information, would result in environmental degradation, and would preclude the public and the courts from correcting such abuses.

Requiring Direct Review of Challenges to Forest Plans and Regional Guidance in the Courts of Appeal Would Create Havoc, Not Efficiency

In the name of streamlining the judicial review process, H.R. 5094 gives exclusive jurisdiction over challenges to forest plans and regional guidance to the appeals courts.¹⁰ Instead of achieving greater efficiency, however, this provision would generate confusion and, ultimately, more litigation.

The informal Forest Service appeals process is unsuited for direct review in the courts of appeal.

The proposal has several problems. First, Forest Service appeals procedures do not ensure creation of an adequate record for review. Direct appeals of agency decisions to the courts of appeal are appropriate only where the agency proceedings have generated an adequate record for review – as where the agency determination is based on a formal, trial-type hearing. In those cases, the agency performs essentially the same functions as the district court, and thus the appeals court has the benefit of a well-developed record to review.

Forest Service administrative appeals procedures, however, are informal.¹¹ The agency provides no hearing nor opportunity to cross-examine witnesses. Agency responses to plan appeals are unsupported by expert testimony and tend to be perfunctory. The record developed in such plan appeals is thus singularly unsuited for appellate court review.

Distinctions between plans and their underlying activities are difficult to draw.

A second major problem with the proposal to vest direct review of plan and regional

¹⁰ See Sections 302 and 303.

¹¹ See 36 CFR § 217.

guidance challenges in the appeals courts is that it wrongly assumes that distinctions can readily be drawn between challenges to plans or guidance and challenges to implementing activities.

Congress experimented with such a procedure in the last four Interior and Related Agencies Appropriations Acts – with disastrous results for agency decision-making and the environment.

Every year since 1986, the Interior appropriations acts have limited judicial review of an existing forest plan "on the sole basis that the plan in its entirety is outdated," while preserving the right to challenge "any and all particular activities to be carried out under existing plans."¹²

This provision was originally adopted because the Forest Service had missed its 1985 deadline for completing management plans pursuant to the National Forest Management Act (NFMA). The Senate added the language because of concerns that a technical challenge based on the missed deadline would leave forests without a management plan. Congress generally believed that the new language would provide the Forest Service with the breathing room needed "to complete its plans as expeditiously as possible."¹³

During floor debate, however, it became clear that the original version of the proposal would have "broadly exempted [the Forest Service from] a variety of environmental laws."¹⁴ Some Senators feared that, as written, "the language would have just the opposite effect of getting national forest management plans in place. It would have created a huge incentive to continue using existing plans since they would be exempt from all environmental laws."¹⁵

At the same time, Senators recognized the difficulty in distinguishing between forest plans and activities carried out under the plans. As Senator Baucus explained:

While a distinction between NEPA challenges to individual activities and NEPA challenges to plan[s] can be made in theory, these types of distinctions are almost impossible to make in fact. Plans provide the basis for individual activities. Although individual forest activities such as a timber sale often involve the development of new data and, therefore, an expanded NEPA review, they are generally based upon the same plan. There is no clear

¹² H.J. Res. 738, P.L. 99-591, 100 Stat. 3341-268 (Oct. 30, 1986); reenacted as H.J. Res. 395, § 314, P.L. 100-202, 101 Stat. 1329-254; reenacted without change as H.R. 4867, § 314, P.L. 100-446 (Sep. 27, 1988); reenacted without change as H.R. 2788, § 312, P.L. 101-121 (Oct. 23, 1989).

¹³ Amendment No. 2836 to H.R. 5234, Interior and Related Agencies Appropriations Act of fiscal year 1987, 132 Cong. Rec. S.12634-35 (September 16, 1986).

¹⁴ Floor Statement of Senator Max Baucus, 132 Cong. Rec. S.12635 (September 16, 1986).

¹⁵ Id.

fixed line between the two actions.

An artificial legislative distinction between plans and activities could be drawn, but its language would need to be so vague that it could actually lead to more litigation and delay rather than less. We would arrive at exactly the opposite effect that I desire to see.¹²

In order to avoid that result, the provision was modified prior to final adoption to ensure that the National Environmental Policy Act (NEPA) and other environmental laws still apply to Forest Service activities. Senator Baucus, one of the sponsors of the modifying amendment, warned that: "While we need to avoid judicial challenges which overturn entire plans, it is critically important that individual activities be fully challengeable."¹³

In the past year, however, three federal courts have ruled that despite the new language, the rider bars judicial review even of individual agency activities when they are based on outdated plans or fail to take into account new and significant information.

In the first case, a district court found that the BLM's failure to address "new, significant and probably accurate information" concerning the potential extinction of the northern spotted owl, an important indicator species for the Pacific Northwest's ancient forests, was an "arbitrary and capricious" violation of NEPA.¹⁴ Yet the judge also found that the language now contained in Section 312 exempts the BLM from complying with NEPA and thereby prohibited her from ordering the agency to revise its outdated environmental impact statement.¹⁵ That interpretation was subsequently affirmed by the Ninth Circuit Court of Appeals.¹⁶

An even more egregious example of these riders insulating illegal agency action arose in February when the Ninth Circuit Court of Appeals cited the language of Section 312 in dismissing a suit that challenged a single Forest Service timber sale in Oregon. In that case, the Forest Service was relying on an 11 year-old Environmental Assessment that failed to consider, as required by NEPA, the wealth of new information about ancient forest ecosystems that has been developed during the past decade. The court ruled, however, that despite the language allowing a legal challenge to "particular activities",¹⁷ if plaintiffs won in

¹² 132 Cong. Rec. S.12636 (September 16, 1986).

¹³ *Id.* (Emphasis added).

¹⁴ Portland Audubon Society v. Lujan, 712 F.Supp. 1456, 1484-85 (D.Or. 1989).

¹⁵ *Id.*

¹⁶ Portland Audubon Society v. Lujan, 884 F.2d 1233 (9th Cir. 1989).

¹⁷ Department of the Interior and Related Agencies Appropriations Act for the fiscal year 1990, § 312, Pub. L. No. 101-121 (Oct. 23, 1989); previously enacted as § 314, Pub. L. No. 100-446, 102 Stat. 1825 (Sep. 27, 1988) and § 314, Pub. L. No. 100-202, 101 Stat. 1329-254 (Dec. 22, 1987).

this case, they might win in others on the same National Forest, and such hypothetical challenges "would amount to an attack on the entire plan as outdated...."²²

Finally, a federal court in California recently relied on that decision to withdraw jurisdiction from a challenge to an individual timber sale on the Klamath National Forest.²³

As these cases illustrate, what might seem to be a straightforward distinction between challenges to plans and challenges to implementing activities has proven difficult or impossible to draw. By creating two separate tracks for forest challenges in the federal courts, H.R. 5094 creates – unnecessarily – a whole new issue requiring adjudication in forest planning litigation.

I am happy to report that the House Interior Appropriations Subcommittee recognized that this type of provision creates more problems than it attempts to solve and deleted it from the FY 1991 bill during its July 24, 1990 business meeting. We believe it would be unwise and inappropriate for this Subcommittee now to approve similar language.

H.R. 5094 Would Create Needless Ambiguity in Existing Legal Standards.

H.R. 5094 addresses several existing standards relating to judicial review of agency action. Those existing standards generally make sense. There is no need to inject ambiguity – which will inevitably lead to more litigation – into them.

The exhaustion requirement.

H.R. 5094 prohibits judicial review of challenges to plans or implementing activities unless the challenger has exhausted administrative remedies.²⁴ But is already well-settled that parties aggrieved by administrative action must exhaust their administrative remedies before taking their challenge to court. This requirement is enforced vigorously because it ensures that judicial resources are not wasted.

It is worth noting that the federal courts have developed an extensive body of caselaw governing the few exceptions to the exhaustion requirement. Thus, courts do not require exhaustion if the issues posed are purely legal and do not depend on agency "expertise," where administrative remedies are inadequate or not efficacious; where pursuit of such remedies would be a futile gesture; where irreparable injury will result unless immediate judicial review is permitted; or where the issue is one of great public

²² Oregon Natural Resources Council v. Mohla, 895 F.2d 627 (9th Cir. 1990).

²³ Marble Mountain Audubon Society v. Rice, No. S-89-1701 EJG/EM (E.D.Cal.) (March 28, 1990). (On appeal to the 9th Circuit).

²⁴ See, e.g., Sections 302, 303, and 304.

importance.²⁵

It is not clear whether H.R. 5094 intends to eliminate or restrict these important exceptions to the exhaustion doctrine. What makes this provision particularly dangerous, however, is the fact that it is coupled with a ban on restraining orders, preliminary injunctions, and injunctions pending appeal.²⁶

To require exhaustion of administrative remedies, while at the same time banning preliminary relief in the courts and failing to require the agencies to await the outcome of administrative appeals is to invite bad decisions. Currently, many cases go to court while an administrative appeal is pending only because the agency refuses to stay the disputed action while it decides the appeal. In the timber context, this would mean a sale could be sold and logged before the agency itself ever decides a citizen's appeal.²⁷

It does not make sense to require exhaustion of administrative remedies without also providing a mechanism to ensure that the resource is protected until the challenger has had an opportunity to exhaust administrative remedies and to petition a court for injunctive relief. To do otherwise would give the Forest Service *carte blanche* to ignore appeals and allow environmentally damaging timber sales to proceed unfettered.

The requirement of review on the record.

H.R. 5094 directs that judicial review be "limited to the administrative record...."²⁸ As described above, the informal Forest Service appeals process is unsuited for direct review by the courts of appeal as would be required under H.R. 5094 for challenges to plans or regional guidance.

Furthermore, although H.R. 5094 provides for judicial review of implementing activities in the district courts, there is already a well-established requirement in administrative law for such review on the record. As is the case with the provisions of H.R. 5094 regarding exhaustion of remedies, it is not clear whether these new proposals are meant to codify or to alter the existing standards. The existing rule works; there is no need to render it ambiguous, or to amend it so as to impair judicial review of agency action.

²⁵ See, e.g., Sierra Club v. Penfold, 857 F.2d 1307, 1322 (9th Cir. 1988); Park County Resources Council v. USDA, 817 F.2d 609, 619-20 (10th Cir. 1987); Foundation on Economic Trends v. Heckler, 756 F.2d 143, 156 (9th Cir. 1985); Aleknagik Native Ltd. v. Andrus, 648 F.2d 496, 499 (9th Cir. 1980).

²⁶ Section 305. See also the earlier discussion at page 7.

²⁷ See, e.g., Pilchuck Audubon Society v. MacWilliams, 19 ELR 20526 (W.D. Wash. Jan. 15, 1988).

²⁸ See Sections 302, 303, and 304.

Conclusion

H.R. 5094 uses inaccurate and misleading assumptions as a springboard to sabotage the National Environmental Policy Act, the National Forest Management Act, the Endangered Species Act, and other environmental laws. Its provisions that rewrite longstanding rules of administrative and judicial procedure are no more than a thinly veiled attempt to turn our national forests into tree farms by cutting off judicial review of Forest Service activities.

These proposals to provide "stability and certainty" to national forest management are made at the expense of citizens' rights and dwindling environmental resources. These proposals are all the more disturbing in light of the recent GAO report identifying the Forest Service as the cause of any forest management problems.

Thus, the solution is not to cut off citizens' access to the courts, nor to skew longstanding judicial and administrative processes in favor of the timber industry. Rather, the solution is to enhance the Forest Service's ability to comply with its environmental mandates by providing increased training and funding to carry them out.

(Attachments follow:)

(LETTER SENT TO ALL MEMBERS OF CONGRESS)

July 23, 1990

The Honorable Harold L. Volkmer
U.S. House of Representatives
Washington, D.C. 20515

Dear Representative Volkmer:

We are writing to urge you to provide stability in national forest management by cosponsoring S. 2762 and H.R. 5094 -- the National Forest Plan Implementation Act of 1990. Never before have we faced so many legislative and administrative initiatives with such crippling impacts for national forest dependent communities, their families, and the entire framework of the recreation and commodity interests reliant on public lands.

The Forest Service is under attack. It has spent a decade and a half of effort and over \$210 million to develop plans for the management of the National Forests only to have implementation of these plans paralyzed by litigation, appeals and the agency's own abrupt change-of-course policy pronouncements. Most troubling about this attack is the pall of uncertainty it has cast on the entire multiple use philosophy which Congress has adopted repeatedly in public land statutes.

Unfortunately, this attack is occurring at a time of record demand. For timber alone, the Forest Service predicts that world demand for products will increase by 50% over the next five decades. The National Forests contain 50% of the country's available sawtimber, but the amount harvested is less than 25% of what Americans use annually. And the demand for Forest Service timber has exceeded the amount made available every year since 1984. Moreover, the increases in product prices that may be in store if the supply situation is not stabilized may deprive many families nationwide of affordable housing. The timber dilemma is not unique; other commodity and noncommodity users groups are also attempting to meet unprecedented demands for the resources of the National Forests.

With all of the local and regional conflicts and controversies related to the forest plans prepared under the National Forest Management Act (NFMA), it is easy to forget that the National Forests must play an important role in meeting domestic and world natural resource demands and recreation needs in an environmentally sound manner. Indeed, Congress has always intended that the National Forests provide a critical portion of this demand, even as it directed achievement of an increasing variety of multiple uses and environmental protection. However, the long struggle to develop forest plans under NFMA, combined with the frequency and severity of appeals and litigation, has undermined the U.S. Forest Service's ability to conduct multiple use management.

For example, over the last six years timber sales appeals still increased more than 100% per year. As a result, the appeals process has become a time-consuming and debilitating effort to all concerned. While the spotted owl has occupied the vanguard position there are numerous other issues under appeal, in court, or waiting in line. Today, communities in the Pacific Northwest and elsewhere in the country are facing economic devastation due to the destabilization of the national forests.

In an effort to address these problems, bring some predictability to the management of the National Forests, and assure that forest plans can be implemented efficiently and equitably, Senator Mark Hatfield (R-OR) on June 29 introduced S. 2762, The National Forest Plan Implementation Act of 1990. In the House, Congressman Les Au Coin (D-OR) introduced H.R. 5094, a companion measure.

Fourteen years after the enactment of the NFMA, plans for virtually all the National Forests have been completed. S. 2762 and H.R. 5094 address various issues related to implementation of those plans. The NFMA currently says little about plan implementation and the Forest Service has continually struggled in its efforts to match annual plan implementation actions with projected plan outputs. Senator Hatfield describes his bill as a "mid-course correction" to address the need for direction in implementation.

Key provisions of S. 2762 and H.R. 5094:

- * Provide that community and regional economic stability must be considered as forest plans are implemented or revised -- the Forest Service presently has no such mandate and local communities are helpless in the face of litigation;

- * Direct that completed forest plans are the arena for resolving future conflicts and expedite the processing of appeals and lawsuits -- interest groups litigate the same issues repeatedly as a delaying tactic; and the current process makes legal work the only growth industry in national forest areas;

- * Affirm that the forest plans are the management framework for the next decade of national forest management -- rather than issuing policy by press release, the Forest Service will be permitted to depart from forest plans only if they are amended or revised;

- * Implement significant increases or decreases in forest outputs dictated by new plans in a stable, phased-in fashion -- currently, sharp decreases in production are occurring instantaneously with no time for communities and people who are dependent on the National Forests for their livelihood to adjust.

It is imperative that Congress act this year to take the next logical step beyond the National Forest Management Act of 1976. Any further delay will result in the disintegration of the forest plans. Congress must remove impediments to forest plan implementation and articulate a clear mandate for the National Forests to help fill the growing demand for easily accessible recreational opportunities, ensure predictable supplies of commodities and provide for community stability.

The undersigned groups strongly request you demonstrate your support for this legislation by signing on as a cosponsor and pushing for rapid congressional action in this Session.

Sincerely,

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Oklahoma State Homebuilders Assn.
Oklahoma City, OK

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Assn.
Salem, OR

Valarie Johnson
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Oregon Lands Coalition
Tigard, OR

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Pacific Rim Trade Assn.
Portland, OR

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Rocky Mountain Oil & Gas Assn.
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R.K. Kelly
Executive Secretary
Shasta Alliance for Resources &
Environment
Redding, CA

Donna Osborne
Secretary-Treasurer
Small Business Forest Products Assn.
Artois, CA

Abbott Ladd
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Small Woodland Owners Association of
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Augusta, ME

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South Carolina Forestry Association
Columbia, SC

George Eliades
President
Southeastern Lumber Manufacturers Assn.
Forest Park, GA

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Southern Oregon Timber Industries Assn.
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Taxpayers For The Environment and Its'
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The Railway Tie Assn.
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Timber Association of California
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Wisconsin, Inc.
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Casper, WY

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Association of American Railroads
Washington, D.C.

Steve Chamberlain
Director of Exploration Affairs
American Petroleum Institute
Washington, D.C.

Chet Diehl
Manager
Washington Contract Loggers
Association
Olympia, WA

*Submitted by
Kirschner*

ORGANIZATIONS OPPOSING RE-ENACTMENT OF RESTRICTIONS ON JUDICIAL REVIEW

Alliance for Justice
 American Civil Liberties Union
 American Fisheries Society
 American Rivers
 Center for Auto Safety
 Center for Law and Social Policy
 Center for Science in the Public Interest
 Chesapeake Bay Foundation
 Conservation Law Foundation
 Consumer Federation of America
 Consumers Union
 Defenders of Wildlife
 Environmental Action
 Environmental Defense Fund
 Equal Rights Advocates
 Friends of the Earth
 Greenpeace, U.S.A.
 Institute for Public Representation
 Juvenile Law Center
 League of Women Voters of the U.S.
 Mental Health Law Project
 Mexican American Legal Defense and Education Fund
 National Audubon Society
 National Parks and Conservation Association
 National Wildlife Federation
 National Women's Law Center
 Native American Rights Fund
 Natural Resources Defense Council
 New York Lawyers for the Public Interest
 Oregon Trial Lawyers Association
 People for the American Way
 Public Advocates
 Public Citizen's Congress Watch
 Public Voice
 Rainbow Lobby
 Sierra Club
 Sierra Club Legal Defense Fund
 The Wilderness Society
 Union of Concerned Scientists
 Women's Legal Defense Fund

Alliance for Justice * American Civil Liberties Union
 American Fisheries Society * American Rivers * Center for Auto Safety
 Center for Law and Social Policy * Center for Science in the Public Interest * Chesapeake Bay Foundation
 Conservation Law Foundation * Consumer Federation of America * Consumers Union * Defenders of Wildlife
 Environmental Action * Environmental Defense Fund * Friends of the Earth * Greenpeace, U.S.A.
 Institute for Public Representation * Juvenile Law Center * Mental Health Law Project
 Mexican American Legal Defense and Education Fund * National Audubon Society
 National Parks and Conservation Association * National Wildlife Federation * National Women's Law Center
 Native American Rights Fund * Natural Resources Defense Council * New York Lawyers for the Public Interest
 People for the American Way * Public Advocates * Public Citizen's Congress Watch * Public Voice
 Rainbow Lobby * Sierra Club * Sierra Club Legal Defense Fund * The Wilderness Society
 Union of Concerned Scientists * Women's Legal Defense Fund

June 19, 1990

Dear Representative,

We are writing to ask your help to stop efforts to strip federal courts of jurisdiction to enforce environmental laws. Two court stripping provisions that are currently in effect override duly enacted environmental laws. We fear both their present and precedential effects.

Since 1984, Congress has approved one or more provisions as riders to each Interior and Related Agencies Appropriations Act, which limit judicial review of potentially illegal national timber management activities. These riders have *suspended* some of our most important environmental laws, including the National Environmental Policy Act, the National Forests Management Act, and the Migratory Bird Treaty Act.

The current riders, sections 312 and 318 of the FY 1990 Act, must not be re-enacted.

In 1989, a federal court found that the Bureau of Land Management's (BLM) decision to allow logging in some public forests was an "arbitrary and capricious" violation of federal law. However, the court was forced to set aside its own finding because the language in section 312 allows the agency to ignore new and significant information about the environmental impact of its activities.

Section 318 specifically overturned rulings by two federal judges which found the BLM to have violated, and the Forest Service to have likely violated, a half dozen public land management laws. Additionally, section 318 barred any further lawsuits based on these violations against the Forest Service and BLM.

We believe that putting federal agencies above the law — as these riders do — is unwise, inappropriate, and inimical to the democratic principles on which our system of government is based.

Not only do these restrictions on judicial review of federal land management agency actions suspend our environmental laws, but they could be used as precedent for overriding other important laws protecting our civil and constitutional rights. For example, these measures are disturbingly similar to efforts a decade ago to strip federal courts of jurisdiction to hear busting, school prayer, and abortion cases. In both situations, the goal has been to remedy failures to comply with federal laws by limiting jurisdiction of the courts. These attempts to undermine established legal processes and procedures must be stopped.

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U.S. House of Representatives
June 19, 1990
Page Two

For the sake of citizens and the laws that protect them, we urge you to oppose any limitations on judicial review proposed as part of the appropriations process or through any other means.

Sincerely,

Nan Aron

Nan Aron
Alliance for Justice

Paul Brouha

Paul Brouha
American Fisheries Society

Henry Jassy

Henry Jassy
Center for Auto Safety

Bruce Silverglade

Bruce Silverglade
Center for Science in the
Public Interest

Peter Shelley

Peter Shelley
Conservation Law Foundation

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Consumers Union

Antonio J. Califa

Antonio J. Califa
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Union

Kevin Coyle

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American Rivers

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Center for Law and Social
Policy

Ann Powers

Ann Powers
Chesapeake Bay Foundation

Gene Kimmelman

Gene Kimmelman
Consumer Federation of
America

John Fitzgerald

John Fitzgerald
Defenders of Wildlife

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June 19, 1990
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Ruth Caplan
Ruth Caplan
Environmental Action

Michael S. Clark
Michael S. Clark
Friends of the Earth

Douglas L. Parker
Douglas L. Parker
Institute for Public
Representation

Len Rubenstein
Len Rubenstein
Mental Health Law Project

Brock Evans
Brock Evans
National Audubon Society

Sharon Newsome
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National Wildlife Federation

Henry Sockbeson
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Native American Rights Fund

Michael Bean
Michael Bean
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Cynthia Moore
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Bill Lienesch
Bill Lienesch
National Parks and
Conservation Association

Ellen Vargyas
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National Women's Law Center

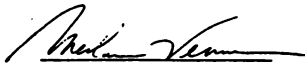
F. Kaid Benfield
F. Kaid Benfield
Natural Resources Defense
Council, Inc.

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June 19, 1990
Page Four



Joan Vermeulen
New York Lawyers for the
Public Interest



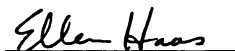
Melanne Verveer
People for the American Way



Armando Menocal
Public Advocates



Sherry Ettleson
Public Citizen's Congress Watch



Ellen Haas
Public Voice



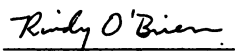
Nancy Ross
Rainbow Lobby



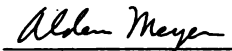
Jim Blomquist
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Union of Concerned Scientists



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ONE HUNDRED FIRST CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON THE JUDICIARY

2136 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6216

June 21, 1990

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SENATE-225-2251

SENATE-225-2252

The Honorable Jamie L. Whitten
 Chairman
 House Committee on Appropriations
 H218 Capitol
 Washington, DC 20515

The Honorable Sidney R. Yates
 Chairman
 House Committee on Appropriations
 Subcommittees on Interior and Related Agencies
 Washington, DC 20515

Dear Chairmen Whitten & Yates:

In recent years, the Interior and Related Agencies appropriations acts have included provisions that limit judicial review of Forest Service and Bureau of Land Management (BLM) decisions regarding our nation's forests. We, the undersigned Members of the House of Representatives, are concerned by these provisions, and ask you to take whatever steps are necessary to ensure that no such restrictions are included in the FY 1991 Act.

If there is a problem with the environmental protection laws, as they relate to forest management, the solution is to amend these laws and not to restrict the ability of the courts to hear or decide cases relating to such laws.

Two provisions in the FY 1990 Interior Appropriations Act are particularly troubling. One, section 312, prohibits challenges to existing forest management plans because they are outdated or do not address significant new information. The impact of this provision was made clear recently when a federal district court found that the BLM's failure to consider new and significant information concerning the effects of logging on public land was an "arbitrary and capricious" violation of the National Environmental Policy Act. Yet the court was forced to set aside its own finding because section 312 exempts the BLM complying with the law.

The second disturbing provision of the FY 1990 Act, section 318, specifically intervened in two ongoing federal court cases.

The Honorable Jamie L. Whitten
 The Honorable Sidney R. Yates
 June 21, 1990
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Those courts had enjoined certain Forest Service and BLM activities that were found to have violated, or likely violated, a half dozen environmental laws. As you know, section 318, which was the subject of intense debate, also barred any further lawsuits against the agencies based on violations of those laws. The Committee reports accompanying the provision specifically recognized its "extraordinary" nature and stated that the limits on judicial review were "reluctantly agreed to because of the failure of the [Forest Service and BLM] to take steps on their own to resolve these matters." In the wake of the 1990 Interior Appropriations Act, the Judicial Conference of the United States has gone on record as saying that it "strongly opposes" reenactment of this provision.

Thus, we are faced not with a failure of laws, but with a failure of the Forest Service and BLM to implement those laws faithfully and adequately. We believe it is unwise as a matter of both policy and practice to continue these limits on judicial review, which have encouraged the agencies to ignore existing laws by shielding their actions from scrutiny in the courts. We strongly urge you not to include any similar restrictions on judicial review in the FY 1991 appropriations bill.

Sincerely,

Don Edwards
 DON EDWARDS

Claudine Schneider
 CLAUDINE SCHNEIDER

Esteban Torres
 ESTEBAN TORRES

Nancy Pelosi
 NANCY PELOSI

Mel Levine
 MEL LEVINE

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 The Honorable Sidney R. Yates
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 JOHN BRYANT

Richard E. Neal
 RICHARD E. NEAL

Charles E. Bennett
 CHARLES E. BENNETT

David E. Skaggs
 DAVID E. SKAGGS

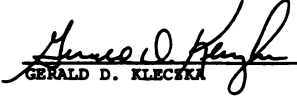
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George M. Cockett, Jr.
 GEORGE M. COCKETT, JR.

Porter Goss
 PORTER GOSS

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The Honorable Sidney R. Yates
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ROBERT ABRAMS
ATTORNEY GENERAL

July 25, 1990

Honorable Thomas S. Foley
Speaker
House of Representatives
1201 Longworth House
Office Building
Washington, D.C. 205151-4705

Dear Mr. Speaker:

We are writing to ask your assistance in preserving the integrity of the judicial review processes designed to insure compliance by the federal government with certain environmental laws.

Two riders were included on the FY 1990 Interior and Related Agencies Appropriations Act that limited judicial review of forest management plans and activities in our national forests that are potentially illegal or outdated. These riders place federal agencies above the law by denying states, citizen groups and individual citizens the ability to seek appropriate judicial review of government actions. While the immediate effect of these riders is on timber cutting in national forests in Oregon and Washington, their re-enactment will affect all national forest lands and set a bad precedent by excusing federal agency compliance with the sound requirements of major environmental laws.

The first rider, Section 312, prohibits judicial review of U.S. Forest Service and Bureau of Land Management timber plans when they are legally outdated or when they fail to address significant new information about environmental damage as required by law. Although Section 312 purports to allow judicial review of individual agency activities, three recent court decisions have interpreted the provision to prohibit any

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challenge based on new information. This restriction would apply to management plans for national forest lands located across the country.

The second FY 1990 rider, Section 318, specifically nullified injunctions against the Forest Service and BLM respectively, which had been issued after the courts found that the agencies had violated, or likely violated, a half dozen environmental laws. Section 318 specifically relates to timber cutting in old growth national forests in Oregon and Washington, particularly in areas populated by the spotted owl. Section 318 also bars any further lawsuits against the agencies based on those violations.

Although these two provisions expire on September 30, the timber industry has stepped up pressure on Congress to re-enact them in FY 1991. Further, some would propose permanent changes in the law to limit judicial review of various management practices in all national forests, and would effectively suspend key provisions of the National Forest Management Act, National Environmental Policy Act and the Endangered Species Act.

These appropriations riders have, virtually without public debate, insulated from effective judicial review and public oversight controversial decisions by the Forest Service and the Bureau of Land Management, including decisions authorizing extensive cutting of ancient, old growth forests in the Pacific Northwest. In contrast, Congress has over many years enacted a host of environmental laws, including NEPA, which are designed to insure that federal agencies follow important review procedures, welcome public input into the environmental decision-making process, and remain subject to judicial oversight to insure compliance with these critical laws. These laws were enacted after reasoned public debate. It is particularly unwarranted and inappropriate to short-circuit the safeguards inherent in these carefully crafted laws when it comes to agency decisions with wide ranging and long term effects on public lands held in trust for the people of the entire nation.

Adherence to the spirit and letter of the law is as much a duty of government agencies as it is of individual citizens. We urge you to take whatever steps are necessary to ensure that neither the FY 1991 appropriations bills, nor separate

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Page 3

authorizing bills, contain restrictions on judicial review of our nation's environmental laws.

Sincerely,


ROBERT ABRAMS
Attorney General of New York

JAMES E. O'NEIL
Attorney General of Rhode Island

DON SIEGELMAN
Attorney General of Alabama

JIM MATTOX
Attorney General of Texas

JOHN K. VAN DE KAMP
Attorney General of California

DON HANAWAY
Attorney General of Wisconsin

CLARINE NARDI RIDDLE
Attorney General of Connecticut

ROBERT A. BUTTERWORTH
Attorney General of Florida

TOM MILLER
Attorney General of Iowa

JAMES E. TIERNEY
Attorney General of Maine

JAMES M. SHANNON
Attorney General of Massachusetts

HUBERT H. HUMPHREY, III
Attorney General of Minnesota

JOHN P. ARNOLD
Attorney General of New Hampshire

ROBERT J. DELTUFO
Attorney General of New Jersey

ANTHONY J. CELEBREEZE, JR.
Attorney General of Ohio

TESTIMONY OF

**R. NEIL SAMPSON
EXECUTIVE VICE PRESIDENT
AMERICAN FORESTRY ASSOCIATION**

Mr. Chairman. Members of the Subcommittee.

I am Neil Sampson, Executive Vice President of the American Forestry Association. We are a national citizens conservation group that has been advocating the establishment and wise management of the national forest system since 1875.

On May 10, we testified before this Subcommittee and two companion subcommittees that are working on the old growth dilemma. At that time, we said it was time for Congress to act, and we outlined a policy framework within which we thought a workable solution might be found. Today, you have before you 6 bills that are addressed, in one way or another, at this complex and difficult problem. It will be our goal today to suggest which of these bills we feel contain elements that are aimed at long-term, constructive solutions that balance the best interests of the forests and the people in the Pacific Northwest and the nation.

Today, let me reiterate one point. It is time for Congress to act. But we are more convinced than ever that there are no painless alternatives. The search has been intense, and fruitless. This situation is going to demand sacrifice on everyone's part. Now let me tell you the second layer of bad news. Every month you delay, and every temporary expedient you enact to get through the immediate political emergency, makes the ultimate pain worse, and the final solution more difficult to find. Sooner or later, Congress needs to leap over the immediate hurdles that it faces and develop a long-term process that can address the real root of these problems. Sooner is painful, but less painful than later.

In that regard, we should note that we do not feel the final process – or final legislative solution – is yet at hand. We commend the sponsors of all these bills before you today. They have taken a step forward. The question becomes, what is the next step, and which directions look the most promising. That is what we would address our testimony towards at this time.

First, let me set forth the goals that our Association has for the public forests. We believe that those forests should be managed today so that, in addition to enjoying the many benefits they provide, we assure a public forest system 100 years from now that still produces distinctive forest products and values to the people of the region and the nation; that still contains national forest ecosystems similar in biological diversity and ecological productivity to the native forests that once blanketed this great land; and that epitomizes the very best that good forest management can produce in terms of economically sound and environmentally responsible sustainable development.

In short, in the year 2090, these forests should still be producing old growth timber in addition to all the other tangible and intangible products and values that people want and need. This objective leads us to some quick conclusions about legislative directions. First, we believe the problem to be one of forest management, not owl conservation. We contend that, if the forests are managed to retain ecosystems that replicate the old growth ecosystems in critical ways, the region can have a strong timber economy based on healthy, productive forests. The owl problem is secondary, in spite of all the legal machinations and press coverage today. The owl is an indicator species, resting at the very top of the forest food chain. When the owl starts to die out, the forest is in decline. That's what an indicator species tells you, and the owl is doing a good job. When the forest is healthy and productive, the owl will be fine, and so will all the dozens of species that form the web of life that supports the owl. So, we believe that the long-term solution should be aimed at how the forests are managed.

Secondly, we reject the idea that we face only a choice between preserving forests and destroying them. Or that the only two choices are preserves and high-intensity, second-growth tree farms. There are options that lie between these polar choices, and it is in that range of "middle" choices where we would hope the Congress seeks a fair and workable solution.

Finally, we are opposed to the Congress taking actions that freeze future management choices into the knowledge and options that we have before us today. Ten years ago, the prevailing opinion among forest managers, and USDA leaders, was that old growth ecosystems were biological deserts, devoid of value, rotting on the stump and wasting away unless quick action to convert them could be taken. That opinion is not widely held today, and is, in fact, almost totally rejected. Old growth forests contain many values, some of which are the most highly prized values produced by the public forests. Eliminating the remaining old growth as a convenient way to bridge the time gap between now and when the second-growth forests come to marketable size is simply not a politically feasible choice any longer, and foresters as well as politicians have received a clear message on that fact.

As a result, we're pleased that Congress didn't freeze the 1980 version of old growth science into legislation, and we're just as adamant about the fact that we probably don't know the final answers in 1990.

These principles lead us to the conclusion that H.R. 5295, as introduced by Mr. Vento, contains the best conceptual basis from which to begin building a workable process. That bill is different from the other proposals that are before the Congress today, and it may be helpful to outline these differences.

This bill would establish a system of old growth forest reserves on a scientific and deliberate basis, using inventories, ecosystem definitions, and boundaries developed by the management agencies under the oversight of a nationally-respected Ancient Forest Scientific Committee. The system's size has been matched to the area that the Thomas Committee determined was needed to assure protection of a sufficient base of old growth forests, both high- and low-elevation, to meet the needs of the Northern Spotted Owl. It could include currently-designated wilderness areas and other set-asides, as well as lands that have already been logged-over in the past.

The size of the total reserve is up for debate, of course, but the fact that it can "overlay" other land use designations means it does not need to be any more harmful to the timber economy than the Congress decides is absolutely necessary to protect the old growth forest ecosystems of the region. With three years to carefully and openly establish definitions and boundaries, this bill sets up a process that is both scientific and fair to all the interests involved. With the chance to re-visit both the definitions and boundaries periodically in the future through the forest planning process, it opens the possibility for improving both environmental quality and economic impact from these lands far into the future.

We are convinced that foresters will continue to learn more and more about old growth ecosystems, and what can and cannot be done safely in them. We're also convinced that, if this Congress sets up the situation correctly to meet the current crisis created by the owl listing, that it is only a matter of a few decades until skillful and careful logging can proceed in much of this land with no danger to the ecosystem and little of the public

acrimony that attends today's situation. Obviously, foresters have to demonstrate that they can do that kind of management, and regain the public trust that has been lost in recent years. We believe, if you give them the right kind of public policy guidance, that is possible. That is why it is critical that these reserves are identified in the forest planning process, and not on an unchangeable legislated map.

It is on this basis that we think the approach in H.R. 5295 is preferable to one where the Congress attempts to establish today's definitions, management prescriptions, and land management boundaries into law, as proposed by H.R. 4492. We think the objectives of the two bills – creating a process to change the way in which we manage old growth forests – are similar, and we commend the sponsors of H.R. 4492 for the efforts they have extended to start the search for such a process. We feel very strongly, however, that the scientific process established by H.R. 5295 is far preferable, both in terms of its long-term environmental and economic benefits to the land and people of the region, and to avoid setting up a political battle over this situation that would never quit coming back to haunt the Congress.

Our view, as expressed May 10, is that the public interest is best served when clear goals for the public forests are articulated by Congress, and the management techniques to arrive at those goals are allowed to evolve as science and experience bring new insight and capacity. H.R. 5295 demands management that includes the specific goal of retaining an old-growth forest system. The methods to achieve that goal would be based on research and science, adding a high-level scientific review committee to the existing skills of the agencies.

The second, and perhaps most important distinction of this bill compared to several others that we have seen is that it would direct that adjacent public old-growth forest lands be managed under "new forestry" management methods. The exact details of these management prescriptions would also be developed by the agencies under the guidance of the Scientific Committee.

This opens up a new, long-term vision for the public forests. Rather than a forest system based on increasingly single-purpose set-asides, and a smaller and smaller timber base pock-marked with little clearcuts that finally fragment and destroy the old growth ecosystem completely, we can now begin to build a new vision. We think that such a vision can be good for the timber industry and the communities of the Pacific Northwest, as well as for the forest ecosystems. Admittedly, these are transitional problems in getting there, and a great deal of science remaining to be learned and applied. But we believe that it is critical that this transition, and this learning process, be started now, while sufficient old-growth forest remains to give us rational options.

It is on these multiple-purpose lands, not on the reserved or set-aside lands, where we must learn sustainable old growth production; where we must learn to conduct forestry with more attention to the quality of the forest we leave behind than to the quantity of wood we remove. Here is where foresters are challenged to demonstrate a form of public lands forestry that both produces economical levels of wood products and protects environmental quality and ecosystem integrity. If we learn these lessons well enough, we are hopeful that the foresters of 2090 can safely enter what we are now setting aside as reserves, removing products that enhance the quality of people's lives while still maintaining forest ecosystems that allow the nation to point to its forest heritage with pride.

Interestingly, this "new forestry" requirement may be most helpful in assisting with the transition period. By allowing forest managers to go back into areas that are already fragmented by clearcuts, we think that the application of new forestry techniques, including the harvesting of trees from isolated pockets of old growth which have little or no ecological chance of survival, can take advantage of existing road systems and timber volumes in a way that will help offset the loss of access to the set-aside old growth stands.

Again, we're pleased that H.R. 5295 does not try to define more than the general elements of "new forestry." This is not one single set of methods, but a rather broad spectrum, that need to be skillfully adapted to the sites and situations that are encountered. Letting the agencies continue their progress in developing these systems, under watchful reviews by the Ancient Forest Scientific Committee, is a constructive approach. We think that will bring the best management brains in America to bear on the topic, with plenty of public oversight to assure that the public's values are honored.

It may be appropriate at this point to discuss the Scientific Advisory Committee. We are reviewing H.R. 5295 very closely, and ask that you do, as well, to assure that, if the Congress establishes this Committee it is, indeed, both "scientific" and "advisory." It is imperative that the views of an independent, highly-qualified group of scientists be made available to the agencies making initial decisions, to the affected publics and industries, and to the Congress as it conducts its oversight functions. It is not a question of who will "use scientific advice best." We all need to hear the views of the scientists, then compare those views to the decisions made by the management agencies, and be free to speak out when we feel decisions have been made wrongly, or for wrong reasons. We believe that careful construction, within the framework envisioned by H.R. 5295, can both provide the additional public credibility that is demanded today, and give both management agencies and the Congress the kind of information they need to do their jobs most effectively.

One of the more controversial portions of any solution to the old growth controversy is the amount of timber sales that will be allowed in the interim while final plans are being established. Setting a sales quantity of 2.6 billion board feet for the national forests of Region 6 of the Forest Service is consistent with the Service's estimates of what can be accomplished without violating current plans or the Habitat Conservation Areas outlined by the Thomas Committee. That is below the 3.4 billion board feet that would be allowed by the existing forest plan targets, and certainly well below the 3.8 billion board feet authorized in 1990. The 2.6 billion board foot number may be low, but with the House Interior Appropriations proposing a 3.0 billion target for 1991, it is not inconsistent with the direction in which today's trends are steadily moving. Obviously, no matter what numbers are ultimately settled upon, these will be adverse local economic impacts with cutbacks.

Making up those economic impacts with a safety net that helps protect the levels of payments to local governments, improvements in timber utilization and processing efficiency, timber stand improvement and tree planting on non-federal lands, and the improvement of resources on federal lands through the use of local labor represents an investment in the Pacific Northwest that will benefit the economy and the citizens of that region, and the Nation, for decades to come. We believe the Congress should seek fair and constructive ways to offset the fact that the national goal of protecting remaining old growth systems cannot be reached without the need to offset some of the economic impacts on the local communities.

No doubt there will be those that suggest that such investments cost too much, or that they are too little, too late, to help the economies of the timber-dependent communities in the region. We do not agree. Some Forest Service analysts believe that modest investments in programs to improve wood utilization could, for example, increase the Pacific Northwest timber supply by as much as 1.5 billion board feet per year, and add 1,600 jobs. Improved processing in mills and plywood plants – again assisted by a modest federal effort – could mean as much as 1.2 billion board feet more lumber and 1 billion square feet of plywood, and almost 3,000 new jobs. These benefits could be on-line within five years, if we began the effort now with federal investments in the \$5 million per year range. Clearly, the federal investments would only be part of a major spectrum of private investments that would be needed, but we think the federal investment can serve as an important catalyst in that process.

The benefits of an accelerated tree planting program on nonindustrial private lands in the region, as well as the improvement of facilities on federal lands, could mean as much as 2.5 billion board feet of timber each year in the next century, as well as a federal lands system that offers a greater array of both tangible and intangible benefits and services. We must clearly take advantage of our opportunities to build that basis for future regional wealth.

The magnitude of the available opportunities, Mr. Chairman, even if the estimates we see today are over-estimated by a factor of 2, represent such a tremendous potential economic boon for the timber economy of that region that we must seek to achieve them. These benefits, rather than depleting the resource base, extend it, so they are investments in a sustainable economic future. They are prime examples of what the United States, as well as the rest of the world, must seek to employ if we are to achieve a sustainable future anywhere. For us to start today, in the Pacific Northwest, where citizens feel that the federal government is too far away, and too remote, to care about their problems or their futures, would be one of the greatest accomplishments in natural resource policy that this Congress could achieve.

Mr. Chairman, we recognize that there will be many views on these bills in front of you today. But we commend you for creating an atmosphere in which we can work together to seek a constructive, sensible approach to a very complex and controversial situation. We are dismayed at the suggestions that this is somehow a battle that pits the people of the Pacific Northwest against the people of the nation. We are all here to try to do the right thing, both for current citizens, and those of the future.

In that light, we hope that the polarization and emotion that has characterized this issue to date can be dampened a bit, and that all of the parties involved can come together and hammer out a process that is both fair and workable. We're dedicated to helping in that process in whatever way we are able, and only too pleased to offer to work with all the Members of this Congress as you continue your work.

**NOT FOR QUOTATION WITHOUT PERMISSION
FROM THE AUTHOR OR MASON, BRUCE &
GIRARD, INC.**

**Economic Effects in California of Protecting
the Northern Spotted Owl**

by

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Introduction

The report from the Interagency Scientific Committee (ISC) to Address the Conservation of the Northern Spotted Owl (1990) found the current management strategy in the Pacific Southwest Region, combined with confusion about timber management in spotted owl habitat areas and various implementation problems, to "result in unacceptable risk to the owl population". Implementation of the ISC's proposed conservation strategy on national forests in the California portion of the range of the northern spotted owl would result in a significant reduction in allowable sale quantities (ASQ's) on four national forests. In parallel with the ISC's work, the California Department of Forestry and Fire Protection has lead an effort to develop interim guidelines for spotted owls that would coordinate management of the owl on private and State lands. Implementation of these interim guidelines has been projected to result in a reduction in harvest levels on private lands much larger than that projected for the national forests.

This analysis attempts to use the best available timber supply data and economic modelling techniques to determine the employment and income effects in Northern California that might be expected to result from implementation of either the ISC strategy on national forests, or both the ISC strategy on national forests and the interim guidelines on private forestlands. Critical assumptions with respect to effects of the proposed management strategies on timber supply are presented below, followed by the projected employment and income effects.

Harvest Levels

Timber Supply Regions

The USFS identifies five distinct timber supply regions in California:

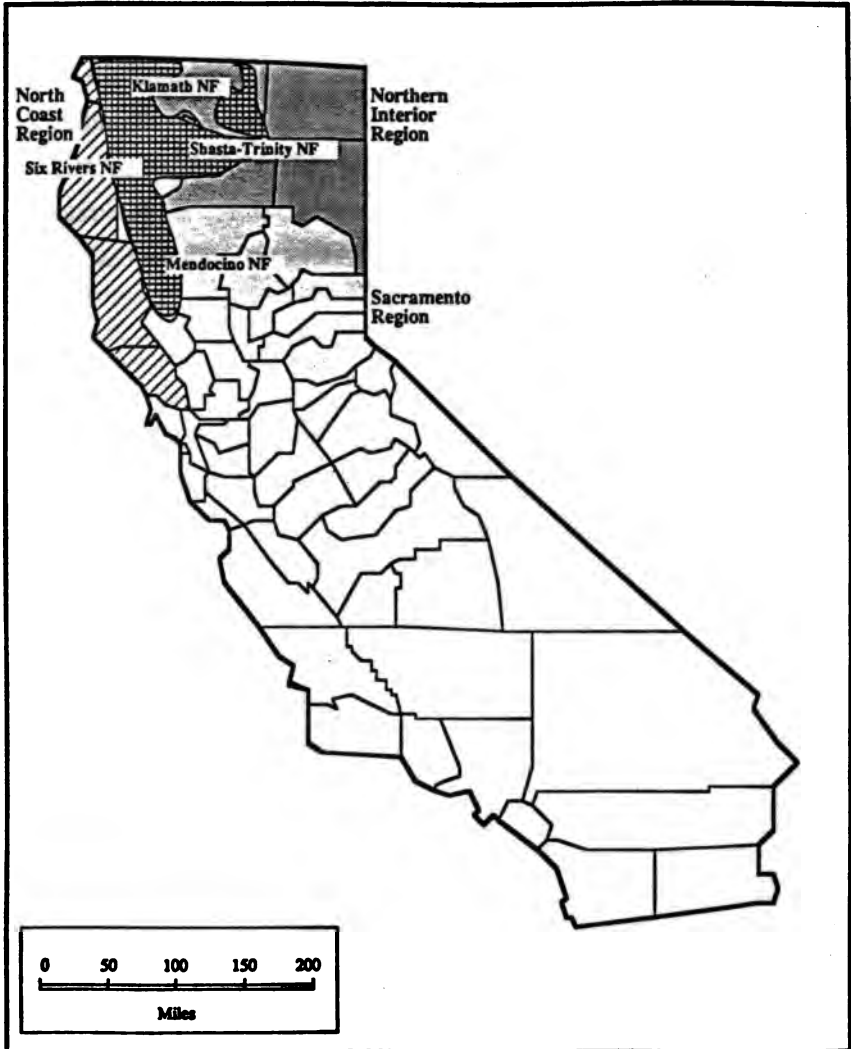
North Coast, Northern Interior, Sacramento, San Joaquin, Central Coast, and Southern. Timber supply from the Central Coast and Southern regions is negligible. The North Coast, Northern Interior, Sacramento, and San Joaquin regions have historically provided approximately 40, 22, 26, and 12%, respectively, of the state's timber harvest. This study concentrates on the North Coast, Northern Interior, and Sacramento regions, since timber supply from the more southerly San Joaquin will not be affected by conservation measures adopted for the protection of the northern spotted owl. The counties comprising the North Coast, Northern Interior, and Sacramento regions are shown in Figure 1. Timber harvests from private forestlands or national forests in the San Joaquin region are accounted for in this study only to the extent that the pattern of inter-county log shipments observed in 1985 is used to adjust regional harvest volumes to estimate regional consumption of logs in the production of lumber.

The four Californian national forests in the Klamath province (the Klamath, Mendocino, Six Rivers, and Shasta-Trinity) fall mostly in the North Coast and Northern Interior regions, as shown in Figure 2. The effects of the ISC strategy discussed below are almost entirely due to impacts on timber supply from these four forests.

Figure 1.
California Timber Supply Regions



Figure 2.
National Forests of the Klamath Province



Public Harvests

Historical average annual harvest levels on California's national forests (FY 83-87) are shown in Table 1, along with USFS estimates of each forest's allowable sale quantity (ASQ) before and after implementation of the ISC strategy (USFS 1990). From a historical annual harvest of 1722 million board feet (MMBF), current forest management plans anticipate a reduction of 211 MMBF (12%). With implementation of the ISC strategy, a further reduction of 240 MMBF (16%) is anticipated from the baseline level, down to 1271 MMBF.

Table 1. Historical harvest, baseline allowable sale quantities, and allowable sale quantities adjusted for ISC strategy on national forests in Northern California (MMBF).

National forest	Historical annual harvest levels 1983-1987	Baseline ASQ before ISC strategy	ASQ with ISC strategy	Change from baseline
Klamath	186	195	135	-60
Six Rivers	146	135	75	-60
Shasta- Trinity	237	195	115	-80
Mendocino	86	65	40	-25
Subtotal	655	590	365	-225
Plumas	195	266	266	0
Lassen	214	85	70	-15
Tahoe	141	130	135	0
Eldorado	133	135	135	0
Sierra	130	95	95	0
Stanislaus	108	85	85	0
Sequoia	88	75	75	0
Modoc	58	45	45	0
Subtotal	1067	921	906	-15
State Total	1722	1511	1271	-240

Source: USFS Pacific Southwest Region (1990).

Private Harvests

Historical average annual harvest levels from private forestlands in California are shown in Table 2, along with baseline projections of annual harvests made by the California Department of Forestry and Fire Protection's Forest and Rangeland Resources Assessment Program (FRRAP) for the decade from 1990 and 2000. These projections were made using FRRAP's CALPLAN timber supply model (FRRAP 1988). Table 2 also shows projections made by the Timber Data Company of annual harvest levels on private lands consistent with implementation of the interim guidelines for spotted owl habitat protection (TDC 1990).

The baseline FRRAP projections anticipate a reduction of 199 MMBF (10%) from the historical average harvest level on private forestlands. The Timber Data Company projects an additional decline in private harvests of 1334 MMBF (-71%) from the baseline resulting from implementation of the interim guidelines.

Table 2. Historical harvest levels, projected harvest levels, and projections adjusted for interim guidelines for spotted owl habitat protection on private forestlands in Northern California (MMBF).

	Historical	Baseline	Projected	
Timber	annual	1990-2000	1990-2000	Change
supply	harvest levels	projected	harvest levels	from
region	1983-1987	harvest levels	w/ protection	baseline
North Coast	1093	1046	208	-838
N. Interior	544	390	80	-310
Sacramento	447	449	263	-186
Total	2084	1885	551	-1334

Sources: California Board of Equalization, Forest and Rangeland Resources Assessment Program, and the Timber Data Company.

Total Harvest

Historical and projected harvest levels from both public and private forestlands are summarized in Table 3. From a historical annual harvest of 3488 MMBF, baseline projections anticipate a reduction of 352 MMBF (10%). Implementation of the ISC strategy on the Klamath, Mendocino, Six-Rivers, and Shasta-Trinity national forests is expected result in a reduction of approximately 235 MMBF (7%) from this baseline. Implementation of the interim guidelines on private forestlands has been projected by the Timber Data Company to result in a further reduction in harvests from the baseline of 1334 MMBF (42%), resulting in a total harvest of only 1568 MMBF with the protection of the northern spotted owl on both national forests and private forestlands. The total projected effects of the ISC strategy and interim guidelines would therefore constitute a 50% reduction from the baseline harvest level.

Table 3. Historical annual harvest levels, projected harvest levels, and projections adjusted for interim guidelines for spotted owl habitat protection on public and private forestlands in Northern California (MMBF).

			Projected harvest levels with ISC	Projected harvest levels with both ISC
Timber supply region	Historical annual harvest levels 1983-1987	Baseline 1990-2000 projected harvest levels	strategy but w/o interim guidelines	strategy and interim guidelines
North Coast	1292	1220	1146	309
N. Interior	1229	943	792	483
Sacramento	967	973	962	776
Total	3488	3136	2901	1568

Projection of Employment and Income Effects

Employment and personal income effects of the protecting the northern spotted owl were analyzed using hybrid econometric-input/output models. Employment and direct personal income in the logging (SIC 241) and sawmilling (SIC 242) sectors were estimated for different timber harvest levels using estimated single-equation econometric models. Indirect and induced personal income generated by employment in these sectors was then projected using regional input-output models developed using the USFS IMPLAN modeling system (Alward and Palmer 1983). More detail on the structure of the models used to perform this analysis can be found in Sullivan and Gilles (1989, 1990).

Employment and personal income were projected for the four different harvest levels discussed above assuming constant real wages in logging and sawmilling and stumpage values for national forest harvests equal to the mean 1988 unit values realized on each national forest.

Employment Effects

The full-time-equivalent (FTE) jobs in the logging (SIC 241) and sawmilling (SIC 242) sectors associated with the historical and projected harvest levels in Northern California discussed above are shown in Table 4. Given historical or baseline harvest levels, or "ISC strategy only" harvest levels, more than 50% of the employment in these sectors would be generated in the North Coast region. The region's employment share would be expected to slip to 31%, however, given the implementation of both the ISC strategy and the interim guidelines. Employment in the Sacramento region is relatively stable over all scenarios due to its limited intersection with the range of the northern spotted owl.

Table 5 shows the projected losses in employment that would result from implementing the ISC strategy on national forests or the both the ISC strategy on national forests and interim guidelines on private forestlands. Seven-hundred and seventy jobs (almost evenly split between the North Coast and Northern Interior) would be lost from implementing the ISC strategy alone, and 6887 jobs from implementing both the ISC strategy and the interim guidelines. In the latter case, this would result in an increase in the unemployment rate in the three most northerly counties of the North Coast region (Del Norte, Humboldt, and Mendocino) of approximately 6%, and in the Northern Interior region (as a whole) of approximately 2%. In light of the chronically high unemployment rates in these counties (see Table 6), this would create a serious burden on already strained local social service networks.

The estimated job losses, being confined to logging and sawmilling, are not a complete accounting of the employment effects of the changes in

harvest levels under consideration. Additional jobs in support sectors such as trucking and nonbasic sectors such as retailing would, of course, result from the changes in personal income discussed below. Estimation of these employment effects, however, is much more difficult than estimating employment effects in the directly affected sectors.

Table 4. Projected FTE employment in the logging (SIC 241) and sawmilling (SIC 242) sectors associated with historical and projected harvest levels in Northern California.

Timber supply region	Jobs with historical harvest levels	Jobs with baseline	Jobs with ISC strategy	Jobs with both
		public and private harvest levels	but without interim guidelines	ISC strategy and interim guidelines
North Coast	7780	7433	7042	2156
N. Interior	3424	2760	2406	1589
Sacramento	3539	3568	3543	3129
Total	14743	13761	12990	6875

Table 5. Projected changes in FTE employment in the logging (SIC 241) and sawmilling (SIC 242) sectors from the baseline resulting from protection of the spotted owl.

	Jobs lost with ISC strategy but without interim guidelines	Jobs lost with both ISC strategy and interim guidelines
Timber supply region		
North Coast	391	5277
N. Interior	354	1171
Sacramento	25	439
Total	770	6887

Table 6. Unemployment rates in Northern California.

County or timber supply region	Unemploye nt rate (percent)
<u>North Coast</u>	
Del Norte	14.5
Humboldt	9.5
Mendocino	10.9
Sonoma	5.0
<u>N. Interior</u>	
Lassen	11.9
Modoc	10.7
Shasta	11.4
Siskiyou	14.6
Trinity	18.1
<u>Sacramento</u>	
Butte	9.3
Colusa	16.7
El Dorado	5.0
Glenn	13.3
Lake	12.3
Napa	4.6
Nevada	6.6
Placer	5.1
Plumas	17.6
Sacramento	5.1
Sierra	18.3
Sutter	16.3
Tehama	11.2
Yolo	8.0
Yuba	13.3

Source: California Almanac.

Income Effects

The projected direct personal income in the logging (SIC 241) and sawmilling (SIC 242) sectors associated with the historical and projected harvest levels discussed above is shown in Table 7. Projected indirect and induced personal income generated by wages in these sectors and from 25% payments from national forests is shown in Table 8. These impacts are totaled in Table 9.

The total personal income effects of reductions in harvests from historical levels to baseline projections, or from baseline projections to "ISC strategy only" levels are similar in magnitude -- 34 and 28 million dollars, respectively. Implementing both the ISC strategy and the interim guidelines, however, would increase the projected loss in personal income to 248 million dollars (relative to the baseline).

Table 7. Projected direct personal income in the logging (SIC 241) and sawmilling (SIC 242) sectors associated with historical and projected harvest levels in Northern California (millions of 1988 dollars).

Timber supply region	Direct			
	Direct		Direct	
	income with		income with	
	historical	baseline	ISC strategy	both
	harvest	public and	but without	ISC strategy
		private	interim	and interim
		harvest	guidelines	guidelines
North Coast	208	199	188	57
N. Interior	91	74	64	42
Sacramento	94	95	94	83
Total	393	368	347	183

Table 8. Projected indirect and induced personal income generated by wages in the logging (SIC 241) and sawmilling (SIC 242) sectors and 25% payments from national forests to states associated with historical and projected harvest levels in Northern California (millions of 1988 dollars).

Timber supply region	Indirect	Indirect	Indirect	Indirect
	income with	income with	income with	income with
	historical	baseline	ISC strategy	both
	harvest	public and	but without	ISC strategy
		private	interim	and interim
		harvest	guidelines	guidelines
North Coast	70	67	63	19
N. Interior	33	27	23	16
Sacramento	39	39	39	34
Total	142	133	125	70

Table 9. Projected direct personal income in the logging (SIC 241) and sawmilling (SIC 242) sectors, and indirect and induced personal income generated by wages in logging and sawmilling and by 25% payments from national forests to states associated with historical and projected harvest levels in Northern California (millions of 1988 dollars).

Timber supply region	Personal income with historical harvest	Personal income with baseline public and private harvest	Personal income with ISC strategy but without interim guidelines	Personal income with both ISC strategy and interim guidelines
North Coast	278	266	251	76
N. Interior	124	101	87	58
Sacramento	133	134	133	117
Total	535	501	472	253

Revenue Effects

As shown in Table 10, 25% payments to counties from national forest gross timber sale revenues and timber yield tax revenues resulting from harvests on private forestlands are a significant revenue source for many counties in Northern California, and particularly in the Northern Interior region. Reductions in 25% payments resulting from protection of the northern spotted owl or other management concerns may therefore necessitate state or federal assistance to maintain legally mandated services.

Table 10. Importance of 25% payments from national forests and timber yield tax distributions to county governments (thousands of dollars)

County or timber supply region	FY 1988 25% payments from national forests	1988 Timber yield tax distributions	Total as a percentage of all FY 1987 county revenues
Del Norte	2534	1060	17
Humboldt	1798	4013	7
Mendocino	907	1514	4
Sonoma	0	119	0.1
North Coast	5239	6706	3
Lassen	3374	628	22
Modoc	2671	269	27
Shasta	3473	1109	5
Siskiyou	6694	1939	21
Trinity	7366	1231	59
N. Interior	23578	5176	16
Butte	945	481	2
Colusa	335	23	3
El Dorado	3214	586	5
Glenn	966	90	6
Lake	1312	111	3
Napa	0	3	0
Nevada	1023	262	3
Placer	1980	410	2
Plumas	8415	1056	47
Sacramento	0	1	0
Sierra	2435	536	39
Sutter	0	0	0
Tehama	2328	835	10
Yolo	0	2	0.
Yuba	302	76	1
Sacramento	23255	4471	2
N. Cal	52072	16353	4
Total			

Sources: California State Controller's Office, California Almanac, and the Timber Association of California.

Caveats

In interpreting the employment and income effects discussed above, the reader should note that:

- 1) To the extent that stumpage prices rise as a result of the harvest reductions associated with protection of the northern spotted owl (or any other change in the economic environment), the indirect personal income effects of 25% payments from national forests to county governments projected above are understated.
- 2) No changes are assumed in USFS administrative expenditures due to reductions in timber harvests or change in management emphasis.
- 3) The northern spotted owl is only one of a number of management issues that may reduce future harvests on national forests in California. Management for fur bearers on the Six Rivers, meeting the Regional Forester's environmental agenda on reduced use of clearcutting, and restrictions on herbicide use all have the potential for causing further reductions in national forest's ASQs.
- 4) Three statewide ballot initiatives relating to management of private forestlands have qualified for the fall election. Research on the extent to which these initiatives, if passed, will affect harvest levels is underway but not yet completed. To the extent that the composite provisions of "passed" initiatives mandate silvicultural practices similar to those in the interim

guidelines, ascribing harvest level changes to either protection of the northern spotted owl or the initiatives is moot.

- 5) No "price-response" from private lands is considered in this analysis. Restrictions on harvest levels from implementing spotted owl protection programs in California, Oregon, or Washington may be expected to result in modest real price increase for stumpage and lumber. However, no change is assumed in this analysis in the willingness of forestland owners free to harvest their lands to allow such harvests. The greater institutional rigidity of the forest economy in California and behavioral studies of its nonindustrial forestland owners indicate that this is a reasonable assumption for California, although not necessarily for Oregon and Washington.
- 6) The accuracy of the projected employment and income effects of protection of the northern spotted owl are critically dependent upon the accuracy of the projected harvest levels.

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U. S. Chamber of Commerce

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Donald J. Kross
Vice President
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July 25, 1990

The Honorable Harold L. Volkmer
Chairman
Subcommittee on Forests, Family Farms and Energy
Committee on Agriculture
1302 Longworth House Office Building
U. S. House of Representatives
Washington, D.C. 20515

Dear Chairman Volkmer:

The U.S. Chamber of Commerce is pleased to take this opportunity to express its support for H.R. 5094, the National Forest Plan Implementation Act of 1990. While the Chamber is opposed to timber production decreases on federal lands below the maximum allowable cut consistent with sound management, H.R. 5094 will mitigate the negative economic impact on local communities resulting from National Forest plans which mandate production decreases or other policies damaging to local economies. Specifically, this legislation will benefit dozens of communities whose economies depend in large measure on National Forest resources.

Many communities have suffered in recent years as the result of abrupt interruptions in timber production and other activities in the National Forests. When this occurs, the economic ripple effects reach to all local businesses and their employees. This is why Congress must now ensure that National Forest plans be implemented and managed in a stable, orderly fashion.

H.R. 5094 addresses this need by:

- * providing that community and regional economic stability be considered as forest plans are implemented or revised;
- * expediting the processing of appeals and lawsuits;
- * affirming that the forest plan process, as mandated in the National Forest Management Act of 1976, serves as the arena for resolving future conflicts; and
- * mandating a gradual approach to production decreases.

- 2 -

These provisions will strengthen the National Forest Management Act and provide the U.S. Forest Service with the tools it needs to administer forest plans in an orderly manner consistent with both environmental requirements and the economic needs of forest-dependent communities.

The Chamber appreciates your leadership on public lands issues and respectfully requests that this letter be made a part of the permanent hearing record on H.R. 5094.

Sincerely,



Donald J. Kroes

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**SOCIAL AND CULTURAL IMPLICATIONS OF IMPLEMENTING
"A CONSERVATION STRATEGY FOR THE
NORTHERN SPOTTED OWL"**

by

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EXECUTIVE SUMMARY**Social and Cultural Implications of Implementing
"A Conservation Strategy for the
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Robert G. Lee
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Sudden departures from anticipated timber harvests will be necessary to implement the northern spotted owl conservation strategy. These harvest reductions will have substantial and prolonged social and cultural consequences. This report reviews the policy context, describes the timber-dependent communities, and assesses impacts of government policy and harvest reductions.

Government officials and advocates for owl conservation have mistakenly assumed that people dislocated from the wood products economy will adapt successfully by seeking retraining for new occupations and moving to other locations. Human adjustments will be far more complex than previous job losses because people have lost trust in their government's long-standing assurance of continued wood supplies, class conflict is emerging between disputing parties, and wood products workers have been vilified for cutting old growth trees. Government policy has contributed to the severity of these impacts by allowing administrative agencies to choose centralized control (Endangered Species Act authority) over decentralized land management planning.

Public cynicism resulting from the switch to top-down planning has already resulted in undesirable practices on private forest lands and increased the necessity for exercising police powers to protect federal lands.

Unwanted consequences can be mitigated by using decentralized NEPA governed planning processes and seeking alternatives that will preserve the entrepreneurial culture of timber-dependent communities.

CONCLUSIONS

People to be dislocated by the sudden departures from anticipated harvest schedules necessary to implement ISC strategy are unwitting *victims*--victims of contradictions in government policy, government agencies that ignore the impacts of their policies on people, environmental interest groups, a public that increasingly views logging as a destructive and declining occupation, an unstable wood products economy, and unbalanced age structures of forests resulting from concentrated harvesting on both public and private lands. Politically motivated dislocation of at least 28,000 individuals without acceptable alternatives for redirecting their energies and talents will cause undesirable psychological, social, political, and cultural impacts.

Development of acceptable alternatives has been limited by contradictions in federal government policies allowing administrative agencies to choose centralized control (ESA authority) over decentralized planning governed by the NEPA process (NFMA and FLPMA). Class conflict is emerging between advocates for old growth preservation and wood products entrepreneurs and workers because reliance on the ISC strategy has not allowed private conflicts to be elevated to the public arena. Government appears to be relying on the questionable

assumption that it is possible to engineer human adjustment to dislocation.

Despite their association with social engineering, extended unemployment benefits, retraining, education, temporary mortgage supplements, and relocation assistance are necessary but insufficient means for helping people adjust to sudden departures from anticipated harvest schedules such as would result from implementation of the ISC strategy. Also necessary will be years of additional social services, including personal and family counseling, health benefits, and community development.

The most successful adjustment will occur if there is a concerted attempt to create opportunities for the redirection of wood products related entrepreneurial activity in rural locations. Creation of new rural wealth to compensate for at least a part of what will be transferred to other uses is not inconsistent with protection of environmental values. The future challenge will be to demonstrate how commodities and environmental qualities can be sustained over the long run from the same lands. This will require a renewed commitment to sustained yield wood production on both public and private lands.

Further protection of forests is warranted by policies governing the nation's federal lands. Substantial areas of old growth forests will inevitably be preserved. This paper has not argued for or against such protection, but has instead identified the likely social and cultural consequences of substantial unanticipated reductions in scheduled harvests. Greater sensitivity to how people are affected by these changes can substantially reduce the disruption in human lives, as well as reduce the long-term social and political costs of mitigating these impacts. This contribution has begun to fill a critical gap in knowledge about the threats to the human habitats in forests and the means for reducing these threats.

(The complete report is held in the committee files.)

**ECONOMIC IMPACTS OF THE ISC
NORTHERN SPOTTED OWL
CONSERVATION STRATEGY
FOR WASHINGTON, OREGON,
AND NORTHERN CALIFORNIA**

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DESCRIPTION OF REGIONS FOR IMPACT ANALYSIS

GEOGRAPHICAL DESCRIPTION

Fifteen regions have been defined for the economic analysis of Spotted Owl timber reserves. Forest Survey Units were used for county boundaries to aid the distribution of owl impacted harvest volumes. There are three levels of economic models:

- 1: A regionwide model (Owl Region) - contains western and central counties of Oregon and Washington and Northern California. This model is designed to capture all economic activity and linkages in order to estimate all employment and earnings impacts in the affected economies due to owl set asides.
- 2: Sub regions (11 models ranging in size of 4 to 11 counties) - These are the models that correspond to the individual Forest Survey Units. But counties containing the metropolitan areas of Seattle and Tacoma, Washington Portland, Oregon; and Sacramento, California were removed from their respective regional models. The intent is to emphasize the importance of this issue to the rural communities.
- 3: State metropolitan regions (Western Oregon, Western Washington and Northern California) - Although a majority of primary wood processing industries are located outside of the metropolitan areas, these metropolitan areas act as service, financial and transportation centers for the region. While these linkages may represent a small percentage of overall economic activity, they are real and important to those whom it specifically impacts.

Table 1. Regional Impact Models

Region	Counties/Regions
North Coast CA	Del Norte, Humboldt, Mendocino, Sonoma Counties
North Interior CA	Lassen, Modoc, Shasta, Siskiyou, Trinity Counties
Sacramento CA	Butte, Colusa, Eldorado, Glenn, Lake, Napa, Nevada, Placer, Plumas, Sierra, Sutter, Tehama, Yolo, Yuba Counties
Northern CA	NCOASTCA, NINTERCA, SACRAMEN Regions Sacramento County
Puget Sound WA	Island, Kitsap, San Juan, Skagit, Snohomish, Whatcom Counties
Olympic Peninsula WA	Clallam, Grays Harbor, Jefferson, Mason, Thurston Counties
Southwest WA	Clark, Cowlitz, Lewis, Pacific, Skamania, Wahkiakum Counties
Western WA	PUGET, OLYMPIC, SWWASH Regions King, Pierce Counties
Central WA	Chelan, Kititas, Klickitat, Okanagon, Yakima Counties
Northwest OR	Clatsop, Columbia, Hood River, Marion, Polk, Tillamook Counties
West Central OR	Benton, Lane, Lincoln, Linn Counties
Southwest OR	Coos, Curry, Douglas, Jackson, Josephine Counties
Western OR	NWOREG, WCENTOR, SWOREG Regions Clackamas, Multnomah, Washington, Yamhill Counties
Central OR	Deschutes, Jefferson, Klamath, Lake, Wasco Counties
Owl Impact Region	CALIF, WASH, OREGON, CENTWA, CENTOR Regions

ECONOMIC DESCRIPTION

The health of a region is often measured in terms of its export base, that is, the ability of that region to produce goods and services that satisfy demands from outside the region. First, it indicates that the region has an economic advantage (productivity, resources, labor, etc.) that allows the region to compete in spite of transportation and distant distribution channel. Second, it generates an inflow of money with which a region may purchase imports, make investments and generate further economic activity internally.

One method to identify the importance of the various industries within a region in terms of its contribution to the export base is "Excess Employment" (Bendavid, 1974). This methodology assumes that the National industry distribution represents a closed economy, i.e., one that is able to meet its own needs. Therefore, any industry which comprises a larger proportion than the National average must be producing for export purposes. That excess represents the industry's contribution to export base. This method is crude. Since employment data is aggregated according to SIC definitions, an industry can represent a large mix of commodities. Commodity X may be produced in large amounts in comparison to the total National production but when lumped with a batch of "underperforming" commodities within a region, commodity X's contribution to the export base may be unnoticed. Another problem involves possible cross hauling of similar commodities. In spite of this excess employment provides a good glimpse of the structure of a region's economy.

Detailed 1985 employment and earnings data for each region can be found in Appendix A. Sectoring is by 2-digit SIC (Standard Industrial Classification) code except for the wood products sectors which were categorized as primary or secondary (description and employment in table 2). The non-metropolitan

Table 2. Employment and Earnings in INPLAN model regions

Region	1985 Wage and salary and self employment (annual average jobs)			U.P. as % of all Industry	1985 Wage and salary employee compensation (millions of 1988 \$)		
	Wood Products		All Ind.		Wood Products		All Industry
	Primary	Secondary			Primary	Secondary	
North Coast CA	8034	3101	229861	4.85	907.9	238.9	4920.2
North. Interior CA	3900	1306	89820	6.02	217.5	115.3	1976.4
Sacramento CA	4720	4547	372336	2.49	134.1	94.5	7797.3
Northern CA	17264	11213	1119657	2.34	503.7	228.4	24499.6
Puget Sound WA	5444	2618	293881	2.68	193.7	47.9	6182.1
Olympic Penin. WA	10175	1818	117693	10.19	328.6	42.5	2367.7
Southwest WA	14680	1929	136776	12.14	483.6	40.2	2845.7
Western WA	34300	10381	1561096	2.99	1197.0	218.7	32259.0
Central WA	5129	814	144436	4.01	145.8	16.0	2405.6
Northeast OR	7159	1759	146369	6.09	235.1	34.9	2539.7
West Central OR	16726	3099	194609	10.18	497.8	85.1	3567.2
Southwest OR	18269	2770	136477	15.42	530.8	59.4	2520.3
Western OR	49720	11645	1062952	5.78	1513.9	253.3	19475.4
Central OR	5539	3679	71993	12.80	158.3	87.7	1230.4
Out Region	108823	36918	3815678	3.82	3372.9	788.2	77624.4

Employment and earnings data based on REIS employment and earnings control totals, County Business Patterns distributions.

Wood products industry	SIC code
Primary	2411 (Logging) 2421 (Saw & planing mill) 243 (Veneer & plywood) 26 (Pulp & paper)
Secondary	Remainder of 24 (Other wood products) 2511, 2512, 2517, 2521, 2542 (Wood furniture & fixtures)

Data for all other sectors (2-digit SIC) can be found in Appendix A.

regions have timber industry (secondary and primary) employment ranging from 2.49 percent (for Sacramento) to 15.42 percent (for Southwest Oregon) of the total employment for those regions. For five of these regions the timber industry alone accounts for over 10% of total employment (Olympic Peninsula and Southwest Washington; and West-Central, Southwest and Central Oregon). For the metropolitan and the entire Owl study area the percentage of all employment accounted for by the timber industry ranges from 2.54 percent (for Northern California) to 5.78 percent (for Western Oregon).

The tables (A-2) in Appendix A provide the results of the excess employment calculations for all 2-digit SIC sectors. Table 3 lists the top five contributors to export base for each region. The fifteen regions of the Pacific Northwest have a high proportion of Government, Primary Wood Processing, Farms and Agricultural Services Forestry and Fisheries. In fourteen out of the fifteen models three of these four are in the top five contributing industries. Lumber and Wood products is the most important industry in West Central Southwest, Central and Western Oregon, Southwest Washington and North Coast California. For the three state Owl Study Region, wood products rank second to Government as the the most important contributor to economic base. Lumber and Wood Products is the most important manufacturing industry in all regions except Puget Sound and Western Washington where Transportation equipment manufacturing is more important.

Appendix A, tables A-3, contain excess employment calculations, but with the assumption that Government and Household industry sectors do not contribute to the the export. This creates estimates which are more comparable to a previous study by Con Schallaue (1976).

Table 3. The five most important contributors export base (based on excess employment for all industries)

Region	Industries (% dependency index)
North Coast CA	Primary U.P. (14.5), Farms (12.1), Ag.,For.,Fish. (11.6) Social Services (9.7), Health Services (8.9)
No. Interior CA	Government (19.8), Primary U.P. (15.4), Farms (13.1) Health Services (8.8), Retail Trade (7.6)
Sacramento CA	Farms (29.4), Government (12.3), Health Services (9.7) Construction (6.4), Ag.,For., Fish. (6.0)
Northern CA	Government (38.3), Farms (11.1), Health Services (7.0) Retail Trade (6.8), Ag.,For., Fish. (5.6)
Puget Sound WA	Government (42.6), Transp. eqpt. (20.9), Ag.,For.,Fish. (9.0) Retail Trade (6.4), Primary U.P. (6.7)
Olympic Pen. WA	Government (40.4), Primary U.P. (31.3), Health Services (5.3), Ag.,For.,Fish. (5.0), Real Estate (4.3)
Southwest WA	Primary U.P. (51.6), Farms (8.0), Primary Metal (7.3) Health Services (7.2), Ag.,For.,Fish. (5.0)
Western WA	Transp. Eqmt. (34.9), Government (23.7), Primary U.P. (11.2), Real Estate (8.5), Ag.,For.,Fish. (5.8)
Central WA	Farms (64.7), Primary U.P. (9.7), Ag.,For.,Fish. (6.8) Wholesale Trade (5.0), Food & Kindred (5.0)
Northwest OR	Farms (27.3), Government (26.5), Primary U.P. (18.4), Ag.,For.,Fish. (7.9), Food & Kindred (7.7)
West Central OR	Primary U.P. (41.0), Government (13.1), Ag.,For.,Fish. (10.4), Farms (8.4), Retail Trade (5.4)
Southwest OR	Primary U.P. (51.0), Farms (12.9), Retail Trade (9.8), Ag.,For.,Fish. (7.3), Secondary U.P. (5.6)
Western OR	Primary U.P. (38.3), Farms (13.8), Retail Trade (8.7), Ag.,For.,Fish. (7.4), Trucking & Warehousing (5.2)
Central OR	Primary U.P. (26.3), Retail Trade (20.0), Secondary U.P. (17.3), Farms (14.9), Private Households (6.3)
Owl Impact Region	Government (26.2), Primary U.P. (17.5), Transp. Eqmt. (15.4), Retail Trade (7.9), Ag.,For.,Fish. (7.1)

METHODOLOGY

IDENTIFICATION OF IMPACTED INDUSTRIES

For each MMBF harvest lost or gained there is an associated economic loss or gain as that stumpage is managed and harvested then cut into lumber, or peeled and glued for veneer and plywood, split into shakes, is chipped for pulping or simply exported from the region as a log. The residues from sawing lumber or peeling are often shipped to a pulp mill for additional processing. Primary products can be shipped from the region or processed by secondary manufacturers who might convert the lumber into molding, furniture, musical instruments or cabinets. Much of the secondary manufacturing can be used in housing construction. Pulp and paper can also be exported, pressed into board, cut and folded into envelopes, writing tablet, toilet paper and paper diapers. As the value added to weight ratios become high enough to make transportation costs less of a concern, the higher order processors become less dependent on local supply. Since lumber, pulp and paper are available from outside sources, these secondary processors may not be impacted to the point of curtailing operations or shutting down.

With these considerations, the logging, forest management, sawmill, veneer, and pulp and board industries identified in table 4 are felt to be directly concerned with local timber harvest levels. The industry breakdown shown in table 4 matches the industry breakdown of the wood products mill surveys for Washington (Washington D.N.R., 1990), Oregon (Howard, 1988a), and California (Howard, 1988b). These mill surveys allow a direct relationship between MMBF consumption and primary processing employment.

Unfortunately 4 digit SICs do not cleanly break out primary

processors from secondary processors. This is particularly true with the Millwork industry (2431). In Oregon and Washington many of these mills process logs directly and would not be economically viable without a regional timber supply; however, it is possible that some, particularly near metropolitan areas, would be able to import lumber to continue operation. Conversely, there may be secondary manufacturers within the SIC 24 code not included in "Lumber" who, though they don't process logs directly, may be reliant on local supplies. The breakdown is much cleaner in the classifications for SIC 26, Pulp and Paper, where there was an effort to separate pulping mills and primary pulp products from higher order processors.

Table 4. Primary processors dependent on regional timber harvest

Industry	SIC	IMPLAN sectors
Forestry - private public	0800 part of 9512	24 part of 525
Logging	2411	160
Lumber	2420, 2431	161-164
Veneer and Plywood	2435, 2436	166
Pulp and Board	2610, 2620, 2630, 2492	187,188,189,171
Shake and Shingle	(included with lumber above)	
Post, Pole and Piling	(included with logging above)	
Log Export	(included with logging above)	

CALCULATION OF TIMBER INDUSTRY EMPLOYMENT PER MMBF HARVEST

The Northwest Oregon model will be used as an example throughout this section. Similar details for the other models can be found in a Appendix C.

The relationship between the usage of raw wood material and employment figures by the wood products sectors can be established directly (employment come from our estimates, all wood usage and consumption data comes from Howard:1988a, and harvest data is from Oregon Department of Forestry: unpublished data). Table 5a shows the derivation of direct and indirect timber industry employment. Note that for Forestry "timber harvest" and "employment" are for the entire Western Oregon region (the larger region is less affected by short term variations).

Table 5a. Employment per MMBF consumption in NW OREGON - 1985

Industry	Sum of Usage (MMBF)	Timber Harvest (MMBF)	Employ.	Employ. per MMBF
Forestry (West. OR)		7461.028	5079	0.68
Logging		1436.954	2969	2.07
Lumber + Shakes	1322.200		5529	4.18
Veneer & Plywood	343.074		1647	4.80
Pulp & Board	899.034		2318	2.58

The equivalent of 899.034 million board feet of timber were

consumed in 1985 by pulp and board mills in the Northwest Oregon model. The 1985 wage, salary and proprietor employment in pulp and board mills of the same counties of Northwest Oregon was 2318. Therefore, each MMBF of timber consumed by pulp and board mills support 2.58 jobs (2318/899.034). Howard also reports timber consumption for "post, pole and pile" and "export" which both involve the logging industry (SIC 2411). Both logging and forestry (SIC 0800) employment per MMBF timber consumption can be simply calculated based on the harvest data for the region. This assumes that harvesting of stumpage is by local loggers (or that non-local loggers in the region are matched by local loggers going outside) and that forestry employment is dependent on harvest level.

Each MMBF of harvest must be apportioned to the appropriate primary processors. Fortunately, Howard, in his mill studies, provides this data:

Table 5b. Destination of harvests in NORTHWEST OREGON - 1985

Industry	Roundwood consumption by ownership (MMBF)		Distribution of harvest per MMBF	
	FS & BLM	Other	FS & BLM	Other
Lumber + Shakes	577.999	711.796	0.7853	0.5902
Veneer & Plywood	154.413	188.661	0.2098	0.1564
Pulp & Board	0	63.198	0	0.0524
Export & P.P.&P.	3.595	234.204	0.0049	0.2009
TOTAL			1.0000	0.9999

From table 5b, we find that 20.98 percent of each MMBF harvested from BLM lands goes to Veneer and Plywood mills. That amount of harvest will support 1.01 jobs (.2098 times 4.8 jobs per MMBF) at the plywood mill, in addition to employment at the other wood products industries.

There is one more forward link in the chain from forestry management to logging to primary processor and that is the use of wood residues created by the lumber and plywood and veneer mills. Howard reports the volume and user of residues produced by mills (summarized in table 5c for Northwest Oregon):

Table 5c. Use of wood residue in NORTHWEST OREGON - 1985

	Residue & Other Wood Producer	
	Lumber	Veneer & Plywood
Roundwood used (MMBF)	1286.716	343.074
Residue used by lumber		
Volume (MMBF)		32.059
Fraction of Roundwood used		0.0934
Residues used by Pulp & Board		
Volume (MMBF)	727.281	171.382
Fraction of Roundwood used	0.5652	0.4995

For each MMBF of roundwood consumed by Plywood and Veneer

mills, 0.0923 MMBF of ends, peeler cores and other wood is sent to lumber or shake mills to be processed. An additional 0.4995 MMBF equivalent of residue (residues are given in tons and converted at the ratio of 2 tons equals 0.001 MMBF) is shipped to Pulp and Board mills. Therefore, these residues will also support a certain amount of employment.

It is now possible to create a table which identifies timber industry employment per MMBF harvested. Table 5d was created for harvest from Private, state and other public ownerships for Northwest Oregon.

Table 5d. Employment for each MMBF of Private, State and other Public Stumpage Harvest Loss/Gain in NW OREGON

	Change in Employment due to Loss/Gain in			
	Roundwd	Harvest	Residues	Total
Lumber & Shakes	2.46		0.06	2.52
Veneer & Plywood	0.75			0.75
Pulp & Board	0.14		1.06	1.20
Logging		2.07		2.07
Forestry (nongov)		0.68		0.68
Total Timber Industry Impact				7.22

Results for these calculations for all regions can be found in Appendix B, and the worksheets can be found in Appendix C.

OTHER TIMBER HARVEST IMPACTS

The analysis presented in this report considers three other timber related impacts:

- 1) Logging road construction: the issue of owl habitat is an issue of old growth logging on Federal lands. Quite often these are unroaded lands as well. Logging operation expenditures (or any input-output industry) includes repair and maintenance of existing roads or any capital equipment, but new equipment or construction is considered final demand or use. It is not an operational expense in a linear sense but occurs as capacity is needed or equipment needs to be replaced. Since new logging road construction and reconstruction is a real economic activity but is external to input-output multipliers, road costs per MMBF were calculated for Region 6 (Pacific Northwest) and used for each of the models.

Table 6. 1989 Region 6 Road Costs (Source: U.S.D.A. Forest Service, 1990)

Purchaser Road Credit	\$50,158,000
Purchaser Credit Roads	1463 miles
Road costs per mile = \$34,291	
Total road (purchaser credit and appropriated)	1572 miles
Estimated road costs (\$34,291 * 1572)	\$53,905,000
1985 Region 6 Harvest	5238 MMBF
Road costs per MMBF = \$10,291	

While the Region 6 data includes harvests which were already roaded (thus lowering the costs per MMBF), they may also contain some pre-roading. Considering the nature of the Federal owl impacted timber the road cost developed in

table 6 is probably conservative for at least the short to mid-term. Once all Federal lands are roaded (to the point allowed), the roading impacts will drop to reconstruction costs. The roading impact will only be applied to Federal timber in this study as much of the private and state timber is already roaded.

- 2) Federal timber management (other than road construction): government administration is also outside of the input-output model structure as government administration is not considered to be market driven, that is, its activity does not necessarily change in direct relationship to economic activity. Therefore, input-output multipliers do not account for these affects and they must be specified directly.

Table 7. 1989 Region 6 Federal Timber Management Costs
(U.S.D.A. Forest Service, 1990)

Sales Administration	\$24,086,000
Timber Program Gen. Mgmt.	39,885,000
Growth Activity Pool	41,537,000
Sales Activity Pool	219,174,000
Total	<u>\$324,683,000</u>
1989 Region 5 Harvest	5,238 MMBF
Costs per MMBF	<u>\$61,200.</u>

Like roading costs the management costs for Region 6 were used for each of the economic impact models. While private forestry management employment per MMBF could be specified directly, a similar value must be estimated indirectly for Federal forestry employment. This requires converting costs per MMBF to 1982 dollars in order to use the non-military government final demand vector from IMPLAN: \$61,200 / 1.300 (deflator) = \$47077. For Northwest Oregon

for each dollar of government expenditure .4834 or \$22,758 goes for employee compensation. In 1982 employee compensation per government worker was \$19451, therefore, each MMBF of Federal harvest supports 1.17 Federal employees in Northwest Oregon. Since, the Federal government is a non-profit organization employment levels in timber management may bear no short-term relationship to harvest levels.

- 3) Payment in-lieu of taxes: the Forest Service pays 25% of its gross timber receipts to counties in-lieu of paying property taxes. In spite of the Forest Service claim that

"...timber sale receipt funds provide an offset to the Congressional responsibility to appropriate funds to the states in lieu of taxes, and, hence, should not be reflected as a cost of the timber sale program."
(U.S.D.A. Forest Service, 1990: in separate letter accompanying document, p.7)

National Parks provide no such payments for their local governments nor does Congress have a surplus with which to readily provide such funds. Also, a rise in stumpage prices may counteract a drop in harvest, however, that rise is limited by world commodity prices for wood products. The in-lieu impact estimated in this study is based on 1989 Region 6 in-lieu payments (U.S.D.A. Forest Service, 1990):

$$\begin{aligned} \text{Payments/MMBF} &= 1989 \text{ PILT payments} / 1989 \text{ Harvest} \\ &= \$210,865,000 / 5238 \text{ MMBF} = \$40,257 \end{aligned}$$

BLM payment formula is double that of Forest Service payments.

The three impact effects described above only apply to Federal timber. Impacts we were unable to account for in this study include:

- Changes in administrative government activity through loss of tax revenue or population.
- Investments (other than road construction) in machinery, equipment, and land which were made/not made due to the changed economic climate, either real or perceived.
- Price changes affecting switches to non-wood product substitutes (plastics, metals, fiberglass, etc.).
- Price impacts on in-lieu payments.
- Price impacts on inputs to industries and final demands.
- Possible changes in the level of competing activities such as recreation.
- Possible Congressional aid to impacted economies.

Another economic activity not accounted for is the movement of the primary wood products and logs to the consumer. For example, transportation of logs to a port and loading onto a ship for export. Also, transportation of lumber to the retail distributor, perhaps passing through a wholesale dealer. These are examples of economic activity which should be considered. The backward linkages (the purchase of materials, services and labor), and the economic activity which is generated by industries providing those goods and services are accounted for through the use of an input-output model (see Miller and Blair: 1985, for a complete discussion of input-output).

THE INPUT-OUTPUT MODEL IMPLAN

Input-output accounting describes the commodity flows from producers to intermediate and final consumers. The total industry inputs of commodities, services, employment compensation, value added and imports is equal to the value of the commodities produced. Purchases for final use (final demand) drive the model as producers purchase goods and services from other producers who in turn must purchase commodities to provide for the producers who are selling to final demand. This cycle of indirect purchases continues until leakages from the region (imports and value added) stop the cycle. In the input-output model, Multipliers are mathematically derived which uniquely describe the change of output for each and every industry as a result of producing one dollar of final demand which are unique to each industry.

Each regional input-output model requires a tremendous amount of data and costs would be prohibitive to survey industries within each region to derive a list of commodity purchases (production function). Therefore, IMPLAN was used as means to construct each of the 15 models in this study.

IMPLAN (Impact Analysis for PLANning) was developed by the USDA Forest Service in cooperation with the Federal Emergency Management Agency and the USDI Bureau of Land Management to assist the Forest Service in land and resource management planning. The IMPLAN accounts closely follow the accounting conventions used in the "Input-Output Study of the U.S. Economy" by the Bureau of Economic Analysis (1980) and the rectangular format recommended by the United Nations.

IMPLAN was designed to serve three functions: 1) data retrieval, 2) data reduction and model development, and 3) impact analysis. Comprehensive and detailed data coverage of

the entire U.S. by county, and the ability to incorporate user-supplied data at each stage of the model building process, provides a high degree of flexibility both in terms of geographic coverage and model formulation.

The IMPLAN data base consists of two major parts: 1) a national-level technology matrix and 2) estimates of sectorial activity for final demand, final payments, industry output and employment for each county. The data represent 1982 county level economic activity for 528 sectors. Some of the IMPLAN database statistics and regional purchase coefficients were corrected for this study (see "Data modifications" below for a complete description).

RESPONSE COEFFICIENTS

After the input-output multipliers are created for each region, an expenditure pattern (a vector of final demand) is introduced for each timber harvest level to estimate the related impacts. To more easily estimate impacts of marginal policy changes (in our case each of the possible public and/or private timber harvest levels) response coefficients were generated. Response coefficients are multipliers with the economic unit of interest (employment, employment compensation, or value added) by industry as the numerator and the unit of interest as the denominator (in our case one MMBF harvest). The total response coefficient is the sum of the direct the expenditure pattern), indirect (interindustry interactions) and induced effects. The induced effects are the impacts caused by the spending of employment compensation by the work force living within the region. In IMPLAN the induced effect is a modified Type III multiplier

For this study billions of board feet were used to create the expenditure pattern with the resulting response

coefficients divided by 1000 to create the MMBF multipliers. This was necessary to avoid losing impacts for some of the lesser-affected industries from roundoff. A detailed discussion of response coefficients can be found in Alvard and Wagner (unpublished).

Response coefficients were developed for seven sets of expenditure patterns for each region (see Appendix D):

- 1) Forest Industry Response per MMBF of Federal (BLM & Forest Service) Harvest. These response coefficients measure the economic impacts of the activities of timber industry sectors. The expenditure pattern was based on the employment in timber industry sectors per MMBF of Federal timber harvest. Output per worker values for the respective industries and region times employment per MMBF harvest yields the change in output of each industry available for final demand consumption. Since Pulp and Board purchases from Lumber and Logging; Lumber purchases from Logging; and Logging purchases from Forestry indirectly, these linkages were severed so that the multipliers would not double count the impacts. Federal forestry employment was not used here as part of the expenditure pattern as it was estimated as part of the Federal Timber Management expenditure pattern below.
- 2) Forest Industry Response per MMBF of State, Private and Other Public Harvest. These also were calculated based on output per worker values but applied to employment per MMBF state, private and other public harvest. The forestry sector is used to estimate not only private timber management expenditures but public as well.
- 3) In-lieu payment impacts per MMBF Forest Service Harvest. These revenues are used by local government, generally for roads and schools. The IMPLAN expenditure patterns for government purchases was used to distribute the in-lieu payments per MMBF harvest for each region. The IMPLAN Final Consumption report provided the commodity purchases from local industries, the Competitive and Non-competitive Import reports provided that fraction of the total purchases spent outside the region, and the IMPLAN Final Payments report provided the employment compensation to public employees. The BLM in-lieu expenditure patterns were estimated to be double those of the Forest Service.

- 4) Timber Management Impact per MMBF Harvest (exc. Roads). Timber management expenditures per MMBF was distributed in the same manner as described above for in-lieu payments using the IMPLAN Federal Non-Military Purchases final demand.
- 5) Roading impacts per MMBF Harvest. Rooding costs par MMBF harvest was applied to IMPLAN sector 69 for Federal timber only.
- 6) Combined Impacts per MMBF Forest Service Timber Harvest. This is the summation of expenditure patterns one and three through five above.
- 7) Combined Impacts per MMBF BLM Timber Harvest. This is the summation of expenditure patterns one, four and five plus double of three (in-lieu payments).

MODEL CREATION

Creating the response coefficients first involved creating an IMPLAN model for each of the 15 regions. The counties combined in each of the regions was described in table 1. However, before being combined the following modifications were made to the county data files:

1) All Oregon, Washington and California counties had unrealistic value added and total industry output ratios for "Other Wholesale Trade" and "Recreation Wholesale Trade" (for example Employee Compensation was either under \$2000 per worker or over \$100000 per worker). They were given the following employment ratios: (millions of dollars per employee)

Total Industry Output	= 0.052880
Other Property Income	= 0.005900
Proprietors Income	= 0.000142
Indirect Business Taxes	= 0.006541
Employee Compensation	= 0.021789

2) All Washington counties "Forestry" sector showed extremely high and Value Added ratios. They were given Oregon Forestry values:

Total Industry Output	= 0.120836
Other Property Income	= 0.031307
Proprietors Income	= 0.014404
Indirect Business Taxes	= 0.007153
Employee Compensation	= 0.008562

3) All Washington counties "Paperboard" sector showed extremely low output and Value Added ratios. They were given Oregon "paperboard" sector values:

Total Industry Output	= 0.027790
Other Property Income	= 0.001026
Proprietors Income	= 0.000001
Indirect Business Taxes	= 0.000745
Employee Compensation	= 0.008103

In all cases the employment numbers were not suspect.

As indicated by table 5e on page 12 (employment per MMBF harvest table), we plan to specify change of economic activity in all primary wood processing sectors. However, input-output multipliers reflect the indirect purchases of wood products sectors from other wood products sectors. Therefore, in all IMPLAN models these "backward linkages" were severed before the response coefficients were derived in order to prevent double counting. In other words, a specified change in the output of a lumber mill (for an example) will not cause the indirect purchase of logs from loggers. Instead, that indirect purchase of logs will be specified as well as shown in table 5e and Appendix B. The following primary wood processing links were severed in all IMPLAN models:

Commodity purchased	Purchasing Industries
-----	-----
24 Forestry	All
160 Logging	All
161-164 Sawmills	161-164, 166, 171, 187-189 (All primary wood processors)
166 Plywood & Veneer	161-164, 166, 171, 187-189
171 Particle Board	161-164, 166, 171, 187-189
187-189 Pulp & Paper	161, 166, 171, 187-189

Secondly, the IMPLAN default trade flows (amount of imports/exports and cross haulings) were adjusted. Appendix E shows the technical adjustments (replacement RPCs) used in each of the models. The new values were subjectively determined and are very conservative estimates. Finally all models were aggregated to the BLS 222 sector growth model sectoring with the exception of IMPLAN sectors 24, 160, 161, 166, 171, and 187-189 (the primary wood processing industries) which were left separate.

Table 8 shows the total employment response coefficients for the Forest Service and BLM (combined effects) harvest and state, private and other public harvest. The complete set of response coefficients for 1-digit SIC sectoring is available in appendix D.

TABLE 8. Selected Response Coefficients for all Regions

Region	Employment per MMBF Harvest		
	Private, state other public	Combined F.S. Response	Combined BLM Response
CALIFORNIA			
North Coast	18.71	22.10	23.51
Northern Interior	12.30	15.11	16.36
Sacramento	12.96	16.07	17.41
Northern California	17.20	20.08	21.28
WASHINGTON			
Puget Sound	9.04	12.73	13.61
Olympic Peninsula	7.38	12.96	14.02
Southwest	8.67	13.22	14.24
Western Washington	12.55	13.52	14.49
Central Washington	15.50	16.91	17.93
OREGON			
Northwest	13.43	16.28	17.37
West Central	15.65	18.54	19.72
Southwest	13.23	17.43	18.62
Western Oregon	14.71	18.33	19.45
Central	16.76	18.58	19.61
OWL IMPACT REGION	17.43	22.84	24.10

Employment response coefficients range from 7.38 per MMBF to 24.10 per MMBF. In general the metropolitan regions have higher response coefficients than the non-metro regions. The exceptions probably represent regions with a higher level of vertical integration, that is, they process wood to a higher value added product. As expected the entire owl study area has

the highest response coefficients of all. The regions within western Washington show dramatically lower response coefficients as a result of high log exports from private lands. For example, the use of stumpage from the Federal and from the Private and Other Public ownerships for the Olympic Peninsula region in Washington is as follows (Washington DNR, 1986):

Using Industry	Distribution of Harvest	
	Federal (F.S. and BLM)	Private & Other Public
Lumber	0.8222	0.3459
Veneer & Plywood	0.0668	0.0341
Pulp & Board	0.0742	0.1224
Shake and Shingle	0.0419	0.0153
Export	0.0000	0.5081
Post, Pole and Piling	0.0003	0.0057

Note, that over half of the non-Federal stumpage is exported as logs without any further manufacturing. The impact of this high proportion of exports shows up in the number of regional wood products industry jobs supported by each MMBF of timber: 7.91 jobs per MMBF for Federal timber versus 4.64 for Private and Other Public (values are from Appendix B).

RESULTS

CHANGES IN HARVEST LEVELS

The 1983-87 annual average level of timber harvest was used as a baseline to which we compared four future scenarios: Table 9 shows those harvest levels. Table 10 shows the change from recent historic levels for the four scenarios:

- 1) Planned before ISC - these were the expected harvest levels before the spotted owl controversy. ISC refers to the Interagency Scientific Committee and their report "A Conservation Strategy for the Northern Spotted Owl". There is a substantial drop in harvest levels expected even before considering the impacts of the spotted owl.
- 2) ISC Agency estimate - these are the harvest levels as projected by the USDA Forest Service and the USDI Bureau of Land Management in their report "Economic Effects of Implementing a Conservation Strategy for the Northern Spotted Owl" (May 1, 1990). Their estimates of owl affected harvest levels roughly double the decline projected by the "Planned before ISC". Since that the Forest Service and B.L.M. did not forecast the private harvest levels required by the ISC committee, the estimated economic impacts do not reflect those changes.
- 3) ISC - M,B&G Est. Public Harvest Restrictions - these are the non-private harvest levels necessary to meet ISC recommendations as estimated by Mason, Bruce and Girard. This assumes that the ISC recommendations are enforced on public lands and not on private lands. These public harvest estimates are somewhat lower than the agency estimates.

- 4) ISC - M,B&G Est. Public and Private Restrictions - these are the harvest levels necessary to meet ISC recommendations on all lands. Over the entire owl study area ISC recommendations require a drop in private harvest of 4.25 billion board feet annually. These impacts are roughly three and a half times the "Planned Before ISC" impacts.

Table 9 shows these harvest levels for all the models. Table 10 shows the change from recent historic levels for the four scenarios.

EMPLOYMENT IMPACTS

The employment (as well as, employment compensation and value added) impacts are derived as the product of the estimated change in MMBF harvest times the response coefficients. Table 11 shows the results for direct, indirect and induced employment impacts combined for all industry sectors. The three-state owl study area stands to lose 147,193 wage and salary jobs and proprietors in following the full ISC recommendations for public and private lands ("ISC MBB Est. Public and Private Restrictions"). Of that, the region already stood to lose 44,436 jobs as a result of the previously planned harvest for the next decade. To put this in perspective, the "ISC MBB Est. Public & Private" scenario represents a loss of 1 of every 25 jobs in the three state region; 1 of 18 in the western and central Oregon regions; and 1 of every 50 jobs in western and central Washington. The regions of West Central Oregon and Southwest Oregon stand to lose 1 of 8 jobs and 1 of 7 jobs respectively. These two regions, even in the scenario of least impact ("Planned Before ISC"), will cause a 1 of 34 and 1 of 24 job loss. Employment, employment compensation, and

TABLE 9. Timber Harvest Scenarios a/

Harvest (MMBF)	1963-87 Average Harvest	1991-2000 Annual Harvest			
		Planned before ISC	ISC Agency b/ estimate	ISC - N,884 est. Public harvest Restrictions	ISC - N,884 est. Public & Private Restrictions
North Coast California					
Forest Service	95	104	71	62	62
Other Public	40	31	2	2	2
Private	881	832	832	832	173
North Interior California					
Forest Service	481	434	344	333	333
Other Public	22	2	2	2	2
Private	443	320	320	320	66
Sacramento California					
Forest Service	442	484	446	461	461
Other Public	0	0	0	0	0
Private	366	218	218	218	218
Northern California					
Forest Service	1038	1021	862	857	857
Other Public	62	33	5	5	5
Private	1692	1370	1370	1370	437
Olympic Peninsula Washington					
Forest Service	256	111	43	40	40
Other Public	498	335	275	275	275
Private	1251	1063	1063	1063	567
Puget Sound Washington					
Forest Service	267	83	34	22	22
Other Public	212	265	211	211	211
Private	773	880	880	880	619
Southwest Washington					
Forest Service	358	325	183	158	158
Other Public	167	165	129	129	129
Private	1359	1249	1249	1249	729
Western Washington					
Forest Service	861	518	261	220	220
Other Public	877	765	615	615	615
Private	3383	3193	3193	3193	1916
Central Washington					
Forest Service	234	166	111	101	101
Other Public	168	168	168	168	168
Private	228	208	208	208	208
Northwest Oregon					
Forest Service	414	266	196	170	170
B.L.M.	119	121	36	35	35
Other Public	139	154	120	120	120
Private	655	668	668	668	363
West Central Oregon					
Forest Service	932	718	474	380	380
B.L.M.	260	205	66	78	78
Other Public	30	28	22	22	22
Private	1034	1000	1000	1000	450
Southwest Oregon					
Forest Service	667	592	451	392	392
B.L.M.	595	480	264	287	287
Other Public	53	48	38	38	38
Private	1199	1038	1038	1038	501
Western Oregon					
Forest Service	2013	1576	1119	942	942
B.L.M.	972	806	366	420	420
Other Public	222	230	188	180	180
Private	2888	2706	2706	2706	1313
Central Oregon					
Forest Service	521	281	263	257	257
B.L.M.	0	0	0	0	0
Other Public	112	41	41	41	41
Private	195	344	344	344	344
OR. IMPACT REGION					
Forest Service	4667	3562	2636	2378	2378
B.L.M.	972	806	366	420	420
Other Public	1442	1237	1009	1009	1009
Private	8387	7720	7720	7720	4137

a/ Data from Mason, Bruce and Girard

b/ Private harvest levels were not estimated - impact analysis will reflect Planned harvest before ISC study

TABLE 10. Change in Timber Harvest Levels from Current (1963-1967 average) Levels

Harvest (1967)	Change to 1991-2000 Annual Harvest			
	Planned before ISC	ISC Agency b/ estimate	ISC - N, 886 est. Public harvest Restrictions	ISC - N, 886 est. Public & Private Restrictions
North Coast California				
Forest Service	9	-34	-33	-33
Other Public	-9	-38	-38	-38
Private	-49	-49	-49	-708
North Interior California				
Forest Service	-47	-137	-148	-148
Other Public	-29	-20	-20	-20
Private	-125	-125	-125	-379
Sacramento California				
Forest Service	22	6	-1	-1
Other Public	0	0	0	0
Private	-148	-148	-148	-148
Northern California				
Forest Service	-17	-154	-181	-181
Other Public	-29	-57	-57	-57
Private	-322	-322	-322	-1235
Olympic Peninsula Washing				
Forest Service	-145	-213	-214	-214
Other Public	-143	-223	-223	-223
Private	-188	-188	-188	-684
Puget Sound Washington				
Forest Service	-144	-213	-225	-225
Other Public	53	-1	-1	-1
Private	187	187	187	-154
Southwest Washington				
Forest Service	-33	-175	-200	-200
Other Public	-2	-38	-38	-38
Private	-110	-110	-110	-630
Western Washington				
Forest Service	-343	-400	-441	-441
Other Public	-112	-262	-262	-262
Private	-190	-190	-190	-1467
Central Washington				
Forest Service	-68	-123	-133	-133
Other Public	0	0	0	0
Private	-20	-20	-20	-20
Northwest Oregon				
Forest Service	-148	-220	-244	-244
S.L.N	2	-83	-64	-64
Other Public	15	-19	-19	-19
Private	13	13	13	-292
West Central Oregon				
Forest Service	-214	-438	-332	-332
S.L.N	-35	-194	-182	-182
Other Public	-2	-8	-8	-8
Private	-34	-34	-34	-584
Southwest Oregon				
Forest Service	-75	-216	-275	-275
S.L.N	-113	-329	-306	-306
Other Public	-5	-15	-15	-15
Private	-161	-161	-161	-688
Western Oregon				
Forest Service	-437	-894	-1071	-1071
S.L.N	-164	-606	-552	-552
Other Public	8	-42	-42	-42
Private	-182	-182	-182	-1575
Central Oregon				
Forest Service	-248	-258	-264	-264
S.L.N	0	0	0	0
Other Public	-71	-71	-71	-71
Private	49	49	49	49
GA. IMPACT REGION				
Forest Service	-1185	-2051	-2289	-2289
S.L.N	-144	-686	-552	-552
Other Public	-285	-433	-433	-433
Private	-667	-667	-667	-4258

a/ Data from Mason, Bruce and Girard

b/ Private harvest levels were not estimated - Impact analysis will reflect Planned harvest before ISC study

TABLE 11. Direct, Indirect and Induced Change from Historical (1983-1987 annual average) Employment by Scenario.

Region	1991-2000 Annual Harvest Level Estimate			
	Planned before ISC	ISC Agency estimate	ISC MBG est. Public harvest Restriction	ISC MBG est. Public & Pr. Restriction
CALIFORNIA				
North Coast	-886	-2518	-2357	-14685
No Interior	-2493	-3853	-4019	-7142
Sacramento	-1564	-1853	-1934	-1934
TOTAL (Non-metro)	-4943	-8224	-8310	-23761
Northern CA	-6378	-9650	-10151	-25853
WASHINGTON				
Puget Sound	-640	-1752	-1904	-4265
Olympic Pen.	-4471	-5795	-5834	-9496
Southwest	-1408	-3597	-3927	-8437
TOTAL (non-metro)	-6519	-11144	-11665	-22198
Western WA	-8426	-13782	-14336	-30361
Central	-1460	-2390	-2559	-2559
OREGON				
Northwest	-1999	-5104	-5165	-9260
West Central	-5615	-12972	-14478	-23088
Southwest	-5607	-12219	-12819	-19924
TOTAL (non-metro)	-13221	-30295	-32462	-52272
Western OR	-13798	-31469	-33662	-54156
Central	-4827	-5162	-5273	-5273
Sum of Non-metro	-32913	-57215	-60269	-106063
OWL IMPACT REGION	-44436	-80142	-84757	-147193

Note: these values can be compared to the 1985 employment figures for these regions in table 2 which are representative of the 1983 to 1987 annual average employment levels.

value added impacts for each region, by multiplier by expenditure pattern for all sectors can be found in the appendices as follow:

Planned Harvest Before ISC Recommendations	: Appendix F
ISC Agency Estimated Harvest	: Appendix G
Mason, Bruce and Girard Estimated Public Harvest Restrictions	: Appendix H
Mason, Bruce and Girard Estimated Public and Private Harvest Restrictions	: Appendix I

The point of the non-metro versus combined with metro delineation of regional models is to show that these impacts not only affect the rural areas, where many of the primary processors reside, but that there is a strong linkage to the metro areas. However, some of the metropolitan impact (as well as non-metropolitan) may actually be missing since expenditures on capital goods and recycling of the tax dollars are external to the IMPLAN multipliers (except for in-lieu payments and public timber management which were considered directly).

For the "ISC MBG Est. Public & Private" scenario in the three-state owl region the difference is approximately 41 thousand jobs (147 all - 106 non-metro from table 11). Actually, this is not a clean number as some of the primary processing may indeed be carried on in a metropolitan area and, conversely, many of the economic interactions created by combining regions may indeed occur in non-metropolitan areas. But the magnitude of the number indicates that the effect is real.

Table 12 shows the employment impacts of following ISC recommendations for both public and private lands for specific industries (1-digit SIC industries) in the three state owl study area. Note that the timber industries (SICs 24 and 26) make up 55 of the 86 thousand jobs in the direct and indirect impacts. Meanwhile, the induced impact (recirculation of employee compensation through personal consumption

Table 12. Sectoral Detail of Impacts for the Owl Study Region
 "MBG Public & Private" compared to "1983-87 Average" baseline

Sector No.	Name	Emp. Comp. Income (\$mill)	Value Added (\$mill)	Employment (jobs)
				(1988 dollar)
Direct and Indirect Effect				
1	Ag., Forestry and Fisheries	-73.1	-345.1	-6071
2	Mining	-1.0	-2.2	-25
3	Construction	-77.3	-86.2	-2110
4	Manufacturing	-1926.2	-2681.1	-56906
5	Wood Products (SIC 24)	-1783.2	-2472.0	-53178
6	Pulp & Paper (SIC 26)	-89.0	-125.3	-1874
7	Transport., Commun. & Util	-97.0	-161.0	-2859
8	Trade	-145.2	-228.8	-5679
9	F.I.R.E.	-33.1	-79.1	-1376
10	Services and Misc.	-94.8	-167.5	-4907
11	Government (Admin. & Ent.)	-155.8	-158.6	-6021
12	TOTAL	-2603.6	-3909.7	-85956
Induced Effect				
1	Ag., Forestry and Fisheries	-13.6	-36.3	-2028
2	Mining	-0.7	-1.5	-16
3	Construction	-40.5	-44.8	-1118
4	Manufacturing	-88.7	-137.5	-3252
5	Wood Products (SIC 24)	-1.7	-2.2	-78
6	Pulp & Paper (SIC 26)	-3.9	-5.6	-87
7	Transport., Commun. & Util	-116.2	-221.9	-3365
8	Trade	-306.1	-479.1	-16256
9	F.I.R.E.	-137.5	-880.8	-6090
10	Services and Misc.	-462.9	-647.0	-26512
11	Government (Admin. & Ent.)	-42.3	-49.3	-1571
12	TOTAL	-1226.6	-2526.3	-61236
Total Effect				
1	Ag., Forestry and Fisheries	-86.7	-381.4	-8099
2	Mining	-1.6	-3.8	-41
3	Construction	-117.8	-131.0	-3228
4	Manufacturing	-2014.9	-2818.6	-60158
5	Wood Products (SIC 24)	-1784.9	-2474.2	-53256
6	Pulp & Paper (SIC 26)	-93.0	-130.9	-1961
7	Transport., Commun. & Util	-213.2	-382.9	-6224
8	Trade	-451.3	-707.9	-21935
9	F.I.R.E.	-170.6	-959.8	-7466
10	Services and Misc.	-557.7	-814.5	-31419
11	Government (Admin. & Ent.)	-198.1	-208.0	-7592
12	TOTAL	-3830.3	-6436.0	-147193

expenditures) occurs mostly in the "Trade" and "Services" sectors (43 of 61 thousand jobs).

TAX BASE IMPLICATIONS

Local governments are faced with a combination of a loss of in-lieu payments as well as possible property tax losses. The latter may be particularly severe in the regions of West Central and Southwestern Oregon where the loss of 1 in 8 jobs would create a surplus of housing as unemployed leave the regions. The problem is not as severe for the state governments as a whole. Gross State Product (GSP - the value added to goods and services by industry) which includes employment compensation, proprietors and corporate income, and indirect business taxes, will be used as an indicator of the impact to the state's tax base. The loss of GSP for the state of California for all scenarios is less than two tenths of a percent. Washington's GSP loss ranges from one-half to 2 percent. Oregon's possible loss of GSP, however, approaches six percent. Table 13 shows the value added impacts for the each state and compares the impact to that state's GSP for 1985 (in 1988 dollars).

TABLE 13. Direct, Indirect and Induced Change from Historical (1983-1987 annual average) Value Added by Scenario. - (millions of \$1988)

1991-2000 Annual Harvest Level Estimate				
Region	Planned before ISC	ISC Agency estimate	ISC MBG est. Public harvest Restrictions	ISC MBG est Public & Pr Restriction
Northern CA	-242.3	-364.2	-382.8	-980.2
% of State GSP	0.04	0.07	0.07	0.18
Western & Central WA	-427.4	-697.7	-727.9	-1459.9
% of State GSP	0.54	0.88	0.92	1.84
Western & Central OR	-778.6	-1530.2	-1627.5	-2567.3
% of State GSP	1.80	3.53	3.76	5.93
Three State Owl Region	-1905.5	-3400.3	-3592.7	-6436.0
% of Region GSP	0.28	0.50	0.53	0.95
Data for total State GSP is from the Bureau of Economic Analysis Gross State Product state series for the year 1985.				
CALIFORNIA State GSP = 552882.1				
WASHINGTON State GSP = 79261.7				
OREGON State GSP = 43287.4				
Owl Study Region GSP = 675431.2				

CHANGES IN PRODUCTIVITY

The question arises: how much of the employment impact would have occurred anyway because of increasing productivity in the wood products industry? The work by John Sessions (1990) for the state of Oregon gives some clues. He reports that given a level of harvest 100% of the 1983-87 harvest (8017 MMBF)

employment in Plywood and Veneer, Sawmill and Logging, and Pulp and Paper sectors would have dropped from 57.5 thousand wage and salary employees in the year 1992 to 54.4 thousand in year 2000. This is a drop of 0.69 percent per year of employees required to process the same amount of timber. Using this data and backcasting to 1985, 60.3 thousand wage and salary worker were required to process 8017 MMBF of timber. The drop in employment would, therefore, have been from 60.3 thousand in 1985 to 54.4 thousand in 2000 in Oregon given a constant harvest. This amounts to 9.8 percent decline in wood products employment. However, it is not strictly true to say that overall employment impacts caused by spotted owl conservation efforts should be that much less in the year 2000. Valued added for companies (and sometimes the employees) often increases with greater productivity. To the extent that this money stays in the region, this would have added to the economy. Also heavier equipment expenditures tend to accompany increases in productivity. One last consideration is that the process of productivity increases is gradual and not occurring in a sudden drop as indicated for 1991 based on the ISC recommendations. With this in mind table 14 shows the employment impacts as they would appear in the year 2000 and adjusted for productivity changes. The productivity adjustment lowers the full ISC recommendation for the three state owl region productivity employment impact from approximately 147.2 to 132.8 thousand jobs.

TABLE 14. Direct, Indirect and Induced Change from Historical (1983-1987 annual average) Employment by Scenario for the Year 2000 and Adjusted for Productivity Changes.

1991-2000 Annual Harvest Level Estimate				
Region	Planned before ISC	ISC Agency estimate	ISC MBG est. Public harvest Restrictions	ISC MBG est Public & Pr Restriction
CALIFORNIA				
North Coast	-799	-2271	-2126	-13246
No. Interior	-2249	-3475	-3625	-6442
Sacramento	-1411	-1671	-1744	-1744
TOTAL (Non-metro)	-4459	-7418	-7496	-21432
Northern CA	-5753	-8704	-9156	-23319
WASHINGTON				
Puget Sound	-577	-1580	-1717	-3847
Olympic Pen.	-4033	-5227	-5262	-8565
Southwest	-1270	-3244	-3542	-7610
TOTAL (non-metro)	5880	-10052	-10522	-20023
Western WA	-7600	-12431	-12931	-27386
Central	-1317	-2156	-2308	-2308
OREGON				
Northwest	-1803	-4604	-4659	-8353
West Central	-5065	-11701	-13059	-20825
Southwest	-5058	-11022	-11563	-17971
TOTAL (non-metro)	-11926	-27326	-29281	-47149
Western OR	-12446	-28385	-30363	-48849
Central	-4354	-4656	-4756	-4756
Sum of Non-metro	-29688	-51608	-54363	-95669
OWL IMPACT REGION	-40081	-72288	-76451	-132768

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(Attachments are held in the committee files.)

FOREST RESOURCES TECHNICAL BULLETIN



AMERICAN FOREST COUNCIL • AMERICAN FOREST RESOURCE ALLIANCE • NATIONAL FOREST PRODUCTS ASSOCIATION

The Spatial Distribution of Wood Products Industries

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THE SPATIAL DISTRIBUTION ON WOOD PRODUCTS INDUSTRIES

Job losses in the harvesting and primary processing of timber face a number of regions, especially in western states. These employment declines may be associated with reduced timber availability because of declining private timber stocks, federal government policy, changing characteristics of the timber resource, and technology. (Adams and Haynes, 1989; Keegan and Polzin, 1987)

Forest policy makers may believe these reductions will be of little consequence because further local processing of the primary wood products has been suggested as a means to mitigate the impact of the job losses (Leman, 1990). These activities are sometimes called "value added" or remanufacturing of primary wood products, and include items such as furniture, packing material, and prefabricated homes.

This paper examines a number of wood products industries to determine whether they would be likely to locate near primary wood products activities and to increase the employment associated with a local timber harvest. Specifically, the existing spatial distribution of the candidate industries will be examined to determine the degree to which it was influenced by the availability of the basic resource (timber) and proximity to the market where the finished products are sold.

DETERMINANTS OF INDUSTRIAL LOCATION

The location decision of a single firm or plant is influenced by a plethora of factors, from the availability of low cost labor to the presence of amenities and the personal preferences of the owner. Expanding from the firm to the industry (a number of firms producing the same product) reduces the confusion and enables regional scientists to identify factors which determine location patterns.

Industries engaged in natural resource processing or other activities where the manufacturing process greatly alters weight or bulk of the product are subject to the countervailing pull of input availability and access to the market. Depending on the product and the manufacturing process, these industries often concentrate near the source of raw materials or the point-of final purchase, in order to minimize transportation costs. (Hoover and Giarratani, 1984, pp.26-30)

The various components of the wood products industry may be differently affected by the competing locational pull of raw material availability and proximity to markets. Sawmills, for example, reduce the weight and bulk of the input by processing the timber into lumber. Holding everything else the same, sawmills can be expected to locate near the source of raw materials. The manufacture of furniture, on the other hand, often increases the bulk of the inputs, and could be expected to locate near the markets in which the products are sold.

DATA ANALYSIS

State employment data for 1986 was statistically analyzed to identify the determinants of the spatial distribution of wood products industries (U.S. Bureau of Labor Statistics, 1987). The size of nearby markets was measured by the population of the state (U.S. Bureau of the Census, 1987). State employment in SIC 2411 logging camps and logging contractors was used to measure raw material availability -- that is, the degree to which raw timber inputs are locally available. Employment in SIC 2411 is highly correlated with other potential proxies for raw material availability -- such as the amount of forest land and the value of timber products harvested. Moreover, it directly measures the vulnerability of a state to reductions in the primary wood products industry.

The following model was estimated using regression analysis:

$$(1) \quad \text{emp}(i) = a + b \cdot \text{emp2411}(i) + c \cdot \text{pop}(i) + e.$$

Where,

$\text{emp}(i)$ = employment in state i for a wood products industry,

$\text{emp2411}(i)$ = employment in state i for SIC 2411, and

$\text{pop}(i)$ = the population in state i .

The statistical method estimates the model parameters a , b , and c , along with their associated measures of accuracy. The statistical error term is represented by e . A summary of selected statistical measures are presented in table 1.

N is the number of states included in the analysis of the specified industry. States excluded were those with no employment in SIC 2411, and presumably no local raw timber supply. In several states, estimates for emp2411 were derived from other sources because there were only a few firms in the industry and the data in the primary source did not comply with federal disclosure provisions. Also excluded were those states whose value-added wood products employment did not meet the federal disclosure provisions because of the few number of firms.

R^2 is the coefficient of determination for the regression and represents the degree to which the two independent variables together statistically account for the spatial variation in the wood products industry. Low values for R^2 imply that factors other than timber availability and proximity to the market determine the location of the value-added industry. Further research may identify low wages or other factors as important locational influences for these industries.

The correlation between the independent variables and the dependent variable is summarized by the t statistics for the regression coefficients. The higher the t statistic, the greater the correlation between that variable and the dependent variable. Those t statistics which exceed statistical confidence levels are identified with asterisks.

At least one of the two independent variables were statistically significant in 16 of the 17 wood products industries. The market proximity variable was statistically significant in 13 cases and the raw material availability variable was significant in six cases. Both variables were significant in three cases.

DISCUSSION AND EXAMPLES

Since the "t" statistics are proportional to beta coefficients and partial correlation coefficients, they may be used to determine which of the independent variables contributed most to "explaining" the dependent variable. (Pindyck and Rubinfeld, 1981, p.96) In other words, if the "t" statistic for population exceeded that for the measure of available local timber input (emp2411), then population was more correlated than local timber availability with the spatial distribution of that industry.

In only four industries is the "t" statistic for timber availability greater than that for proximity to market; they are SIC 2421 sawmills, SIC 2429 special products sawmills, SIC 2435 hardwood veneer and plywood, and SIC 2436 softwood veneer and plywood. This implies that the existing spatial distribution of most of the wood products industries is determined more by the proximity to market than timber availability.

California and Oregon provide good examples of the differing impacts of proximity to market and availability of timber. Oregon ranks first in the country in terms of timber availability as measured by employment in SIC 2411, but its 2.7 million residents make it the 32nd most populated state. California's population of almost 27 million is the largest in the country, while the state's employment in SIC 2411 ranked fifth.

The statistical findings for SIC 2421 sawmills in table 1 reveal that both timber availability and proximity to the market were significant determinants of the spatial distribution this industry. But, the "t" ratio for SIC 2411 employment was larger than for population, indicating that timber availability was more important than proximity to market. Examining SIC 2421 employment confirms this conclusion. Oregon ranked first with 21,003 employees, or 13.2 percent of the nationwide total, while California ranked second with 15,909 workers, or 10.1 percent of the total. A closer look at the distribution within California reveals more clearly the strong influence of timber availability; most of the SIC 2421 employment is in the northern one-third of the state while the population is concentrated in the southern two-thirds.

Turning next to SIC 2449 wood containers NEC, the statistical findings show that market proximity was much more important than timber availability in determining the location of this industry. California, with its much larger population, ranked first in employment in SIC 2449, with 1,148 workers representing 14.7 percent of the national total. Oregon had only 25 workers, or 0.03 percent of the nation. Oregon was among the states with the smallest reported employment in this industry, despite being first in local timber availability as measured by SIC 2411.

Finally, California ranked first in employment for six of the nine industries identified as market oriented in Table 1. Oregon was not in the top five states for any of these industries.

A broader multi-state market was also analyzed, but was found to be less influential than state population in determining the spatial distribution of value-added wood products industries. Specifically, an independent variable measuring the population in a state plus in the contiguous states was less statistically significant than state population. This is consistent with the notion that the value-added wood products industries primarily serve local rather than regional or national markets.

In summary, states with both a large population and a significant supply of timber have developed a wide array of wood products industries which are based on both primary processing and "value-added" manufacturing. States with a much smaller local market have not developed as diverse a wood products industry, despite a much greater availability of raw sawtimber.

CONCLUSION

The statistical model used here quantified the competing pulls of resource availability and access to the market as determinants of the location of wood products industries. It is not, however, a complete model because other factors affecting industrial location were not considered; for example, wage rates, taxes, and international trade. These findings do suggest several general conclusions concerning value-added wood products industries.

States with both a large population and a ready supply of raw materials appear to be the most promising in terms of developing and maintaining diversified wood products industries. Good examples are California and North Carolina, which rank in the top ten states in both population and timber availability as measured by SIC 2411 employment.

States with much smaller populations have more limited options. Based on the existing distribution of industries, these states should perhaps concentrate on the three resource oriented industries listed in table 1 to identify opportunities for value-added wood products industries.

Further research may identify opportunities for sparsely populated areas with significant timber resources in certain niches of the market oriented businesses. For example, even though SIC 2511 wood household furniture as a whole is strongly market oriented, a sub-category such as disassembled furniture may not be as influenced by transportation costs.

In summary, not all regions are created equal when it comes to the location of value-added wood products industries. Areas with large populations may have opportunities not available to sparsely populated areas to diversify their wood products industry.

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Table 1
Summary of Findings
Selected Wood Products Industries
1986

		*t Statistics for the Regression		R ²	N (States)
		SIC 2411 Employment (Timber Availability)	Coefficients Population (Market Proximity)		
RESOURCE ORIENTED					
SIC 2429	Special Product Sawmills	3.823 ^{ac}	0.121	.364	29
SIC 2435	Hardwood Veneer and Plywood	2.292 ^c	1.249	.217	31
SIC 2436	Softwood Veneer and Plywood	7.470 ^{ac}	-1.107	.643	34
BOTH RESOURCE AND MARKET ORIENTED					
SIC 2421	Sawmills	16.274 ^{ac}	3.977 ^{ac}	.870	48
SIC 2431	Millwork	2.732 ^{ac}	5.262 ^{ac}	.496	41
SIC 2439	Structural Wood Members	2.336 ^c	5.885 ^{ac}	.610	31
MARKET ORIENTED					
SIC 2434	Wood Kitchen Cabinets	0.728	6.451 ^{ac}	.530	42
SIC 2441	Wood Boxes	1.003	9.967 ^{ac}	.748	36
SIC 2448	Wood Pallets and Skids	-.421	5.838 ^c	.506	36
SIC 2449	Wood Containers NEC	1.436	3.460 ^{ac}	.344	31
SIC 2451	Mobile Homes	1.967	2.627 ^{ac}	.282	32
SIC 2452	Prefabricated Buildings	-.131	2.545 ^c	.189	30
SIC 2499	Wood Products NEC	1.521	5.341 ^{ac}	.479	38
SIC 2511	Wood Household Furniture	1.099	2.564 ^c	.169	44
SIC 2521	Wood Office Furniture	1.480	2.745 ^{ac}	.360	27
SIC 2541	Wood Partitions and Fixtures	-.405	8.355 ^{ac}	.724	30
NEITHER RESOURCE NOR MARKET ORIENTED					
SIC 2426	Hardwood Dimension & Flooring	0.263	0.766	.026	30

^aSignificant at .05 level

^cSignificant at .01 level

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Timber Output Impacts of the Northern Spotted Owl Conservation Strategy

Proposed by the Interagency Committee of Scientists

Mark Rasmussen

June 29, 1989

**Timber Output Impacts of the Northern Spotted Owl Conservation Strategy
Proposed by the Interagency Committee of Scientists**

Mark Rasmussen¹

I. BACKGROUND

On April 4, 1990, a federal interagency scientific committee (ISC) charged with developing a scientifically credible conservation strategy for the northern spotted owl reported:²

"the owl is imperiled over a significant portion of its range because of continuing losses of habitat from logging and natural disturbances." (ISC Report, page 1)

The ISC proposed a spotted owl habitat conservation strategy, hereafter referred to as the ISC Strategy, that would establish: (1) large Habitat Conservation Areas (HCAs) in which no timber harvest would be allowed; and (2) new standards for spatially dispersing timber harvest outside of the HCAs. The ISC did not attempt to estimate the timber harvest impacts of the proposed strategy.

The State of Oregon issued a preliminary analysis of the timber output impacts of the ISC Strategy on April 30, 1990.³ The State estimated total harvest from public land in Oregon could drop by 995-1,205 MMbf below the 1983-87 average.

In a May 1, 1990 joint report, the USDA and USDI projected the timber output reductions and the associated economic effects that would result if the ISC Strategy were implemented on lands managed by the US Forest Service (USFS) and Bureau of Land Management (BLM) in California, Washington and Oregon.⁴ Regarding timber output impacts, the USDA/USDI report concluded:

- The ISC Strategy would reduce federal timber harvests by 2.4 Bbf.
- Private landowners would respond to higher stumpage prices by increasing harvests. Through 1995, this increase would offset about half of the decline from federal land. Private harvest would subsequently drop and by

¹Mark Rasmussen is a timber resource analyst with Timber Data Company, Eugene Oregon. Dr. John Beuter of Mason, Bruce and Girard made significant contributions to this report.

²Thomas, et al., A Conservation Strategy for the Northern Spotted Owl, US Department of Agriculture and US Department of Interior, April 2, 1990.

³Governor Neil Goldschmidt, State of Oregon Preliminary Analysis of the Interagency Scientific Committee's Conservation Strategy for the Protection of the Spotted Owl, April 30, 1990.

⁴USDA Forest Service and USDI Bureau of Land Management, Economic Effects of Implementing a Conservation Strategy for the Northern Spotted Owl, May 1, 1990.

2000, total federal and private harvests would drop 2.7 Bbf below current projections.

The American Forest Resource Alliance and the Northwest Forest Resource Council, two organizations representing the timber industry in the affected area, asked us to independently estimate the impacts of the ISC Strategy.

After identifying the objectives of this report, we first identify those management standards and guidelines of the ISC Report that would affect timber harvest opportunities. We then review the previous timber output impact estimates made by federal and state agencies. Finally, we explain how we made our estimates of the impacts on both public and private forest land.

II. OBJECTIVES

The primary objective of this report is to independently estimate the changes to timber harvest levels that would result if the full ISC Strategy were implemented. Specifically, this report:

- Reviews the timber output impacts estimated by the public timber selling agencies and revises those estimates where appropriate.
- Estimates the potential impacts on timber harvest from private lands if the ISC Strategy were applied to private as well as public lands.
- Compares the projected future timber outputs under the ISC Strategy to both 1983-87 average harvest levels and the projected harvests without the ISC Strategy.

The timber output impacts developed in this report will be used to evaluate the economic and social impacts of the ISC Strategy.

III. IMPACTS OF THE ISC STRATEGY ON TIMBER HARVEST

The ISC Strategy does not propose to protect the northern spotted owl population through manipulation of individual owls. It relies instead on managing spotted owl habitat to protect the species. Two facets of the strategy directly affect timber outputs: (a) timber harvest is prohibited on large blocks of owl habitat; and (b) standards for harvest outside of these reserved blocks imply that landowners will have to manage timber on rotations of at least 70-80 years.

A. Harvest precluded within the Habitat Conservation Areas.

The backbone of the ISC Strategy is the designation of over 193 Habitat Conservation Areas. The HCAs are relatively large blocks of land (averaging about 40,000 acres) that in theory would provide protected habitat for about 2,200 pairs of owls. There are four categories of HCAs:⁵

- Category 1 Blocks of habitat to support at least 20 pairs.
- Category 2 Blocks of habitat to support 2 to 19 pairs.
- Category 3 Blocks of habitat to support individual pairs. Category 3 HCAs are established in certain portions of the owls' range.
- Category 4 Blocks of habitat around centers of activity for known pairs outside of the HCAs.

In total, the HCAs mapped in the ISC Report include 8.4 million acres of federal, state and private land. Category 4 HCAs were not mapped. Some additional areas meeting the Category 3 criteria have been found since the report was prepared and others will likely be found in the future. Acres in the unmapped HCAs are in addition to the 8.4 million acres.

The primary impact of the HCAs on timber output results from the fact that timber harvest is not permitted in the HCAs. In other words, the timberland acres within the HCAs would be removed from the productive timberland base.

B. Outside the HCAs - the Forest Matrix.

The ISC Report refers to lands outside the HCAs as "the forest matrix." The ISC Strategy prescribes standards for managing the forest matrix, "to assure that adequate dispersal habitat and options to apply adaptive management are available..." (Report, page 347).

Within the forest matrix, the management standard having the largest potential impact on timber production is the rule requiring that timber harvest be spatially dispersed. The "50-11-40 rule" requires:

"For every quarter township, timber harvest shall be permitted only when 50% of the forest landscape consists of forest stands with a mean d.b.h. (diameter at breast height) of 11 inches and a canopy closure of 40%; all land-use allocations on forest lands and all ownerships within the quarter township contribute towards meeting this rule." (ISC Report, page 348).

⁵ISC Report, page 339.

Throughout the Pacific Northwest, most commercial timber stands can reach the 11 inch standard sometime around 35 to 40 years of age. The 50-11-40 rule, therefore, implies that forest land within each quarter township be regulated under a rotation of at least 70-80 years.

The impact of the 50-11-40 rule will vary depending on: (1) the existing land allocations; (2) the planned rotation lengths; (3) the spatial distribution of the current inventory; and (4) the age class distribution of the existing stands. In general, USFS harvests would experience less impact than BLM harvests since average USFS rotations already meet or exceed 70-80 years and the USFS forest planning process has already allocated a number of acres to no-harvest management strategies or extended rotations. BLM and private harvests show a larger impact since planned rotation ages are generally well below 70-80 years. BLM and private owners, furthermore, have less land allocated to no-harvest prescriptions.

IV. REVIEW OF THE USFS REGION 6 TIMBER OUTPUT CALCULATIONS

USFS and BLM officials were informed of the ISC Strategy prior to the formal release of the ISC Report. The USFS Regional Offices and the BLM State Offices were given maps of the proposed HCAs so that they could estimate the impacts of the ISC Strategy prior to its public release. With only a minor exception, the impact estimates generated by the USFS Regions and the BLM State Offices were used in the USDA/USDI report.

This section reviews the procedures used by Region 6 to calculate timber output impacts. Subsequent sections review the BLM and Region 5 methodologies.

A. Region 6 impact estimate methodology

The Region 6 timber output estimates were derived almost entirely by the Regional Forester's staff in Portland. The process was straightforward:

1. Each national forest provided the Regional Office with a map of the lands suitable for timber production⁶ based on either the forest's final NFMA forest plan or the projected final forest plan.⁷
2. Using a dot grid, the Region counted the suitable acres within the HCAs. Table 1 summarizes the suitable acres within the HCAs for the affected administrative units across all public ownerships.
3. Using the total suitable acres and the first decade Allowable Sale Quantity⁸ (ASQ) from the final or projected final forest plans⁹, the Region arrived at an ASQ under the ISC Strategy by first taking the percentage change in suitable acres and applying that to the final or projected final ASQ. In other words, if 30% of the suitable acres on a given forest were in the HCAs, then the ASQ was initially reduced by 30%. Later, we refer to this initial estimate as the straight line acreage based reduction.

The initial ASQ estimate was further reduced by 5% to account for factors not specifically included in the Region's procedures. These factors include: (1) FORPLAN analyses for some forests indicated that a straight acreage relationship underestimated the impacts; (2) the hypothesis that most HCAs are located in areas of high productivity at lower elevations; (3) the existence of other standards on lands outside of the HCAs that might conflict with scheduled timber harvest (e.g. visual, recreation, riparian or other wildlife constraints). The Region's process can be represented with the following equation:

⁶Lands suitable for timber production are identified in the NFMA forest planning process as lands that: (1) are capable of growing timber; (2) can be harvested without causing irreversible resource damage; (3) can be regenerated; (4) have not been withdrawn for other purposes (ie Wilderness, Wild and Scenic Rivers, etc); (5) are not needed to meet discretionary multiple-use objectives of the Forest Plan that would preclude timber harvest; (6) are not needed to meet the Management Requirements of the Forest Plan; and (7) are cost efficient in meeting resource objectives, including timber production (see 36 CFR 219.14). Timber lands passing through these screens form the basis for the Allowable Sale Quantity calculations and are referred to as the "suitable acres."

Throughout this report we apply the term "suitable acres" to other ownerships. We define it as commercial forest land allocated by the owner to timber production under standards applicable to that ownership.

⁷Four of the affected Region 6 forests had approved final forest plans. The other nine forests had completed the draft plans and were working on the final plans. The Region had hoped to have all the final plans published by the end of the summer.

⁸The ASQ is the quantity of timber that may be sold from lands suitable for timber production during a specific time period. The ASQ is in terms of net merchantable sawtimber. The term ASQ is used in this report for all ownerships and means the amount of timber scheduled for harvest from suitable lands.

⁹The Region stated that the projected forest plan ASQ figures are plus or minus 10 percent.

$$(ASQ_{proj} - (ASQ_{proj} \times \frac{SuitAcres_{HCA}}{SuitAcres_{Total}})) \times .95$$

Where:

ASQ_{proj} = ASQ from the projected forest plans
 $SuitAcres_{HCA}$ = Suitable acres within the HCAs
 $SuitAcres_{Total}$ = Total suitable acres from the projected forest plans

The volumes reported by the Region and shown in the USDA/USDI report are in nominal log scale -- they were not converted to a common log scale basis.¹⁰

The Region 6 estimates do not take into account any impact from the 50-11-40 rule, although the Region's cursory analysis indicated that the impact could be in the range of an additional 5% or more.

¹⁰Volumes sold on the westside are measured in 32 foot log lengths (long log scale), while eastside, California and BLM volumes are scaled in 16 foot log lengths (short log scale). Unless otherwise noted, all Oregon and Washington short log volumes in this report have been converted to long log scale by multiplying the short log volume by 0.83.

Table 1

Suitable Acres
(thousand acres)

State/ Agency	Administrative Unit	Forest Total	Mapped HCAs	Unmapped HCAs	% in HCAs
CALIFORNIA					
USFS	Klamath	929	162		17.5
	Mendocino	267	83		31.0
	Shasta-Trinity	864	234		27.0
	Six Rivers	338	103		30.4
	USFS Total	2,397	581		24.2
BLM	Ukiah	187	187		100.0
CA State	Jackson	51	51		100.0
CALIFORNIA TOTAL		2,635	819		31.1
OREGON					
USFS	Deschutes	1,009	49		4.9
	Mt Hood	468	82	6	18.9
	Rogue River	315	90	3	29.6
	Siskiyou	508	109	4	22.3
	Siuslaw	369	144	17	43.6
	Umpqua	621	135	4	22.4
	Willamette	775	263	9	35.1
	Winema	720	8		1.2
	USFS Total	4,785	880	44	19.3
BLM	Salem	247	128		51.9
	Eugene	226	120		53.4
	Roseburg	273	113		41.6
	Medford	464	129		27.9
	Coos Bay	196	74		37.6
BLM Total		1,405	565		40.2
OR State	Western OR	745	217		29.1
OREGON TOTAL		6,935	1,462	44	24.6

Table 1

Suitable Acres
(thousand acres)

State/ Agency	Administrative Unit	Forest Total	Mapped HCAs	Unmapped HCAs	% in HCAs
WASHINGTON					
USFS	Gifford Pinchot	677	275	1	40.5
	Mt Baker-Snoqualmie	346	225	2	65.5
	Okanogan	542	8		1.5
	Olympic	352	181		51.4
	Wenatchee	630	226		35.8
USFS Total		2,547	913	3	36.0
WA State	Western WA	1,833	256		14.0
WASHINGTON TOTAL		4,380	1,169	3	26.8

Three State Owl Roosts

USFS Total	9,322	2,276	47	24.9
BLM	1,560	720		46.1
States	2,621	516		19.7
TOTAL Public	13,502	3,511	47	26.4

B. Evaluation of the Region 6 methodology.**1. Suitable acreage calculations**

The Region was unable to provide a map of suitable land for any of the affected forests until June 15, 1990.¹¹ The Region was not able, furthermore, to provide worksheets that tallied suitable and/or total acres by HCA. Therefore, we have not been able to check whether the Region properly computed the suitable acres within the HCAs. The quality of the suitable acre maps we ultimately received raises questions about the accuracy of the suitable acre calculations.

Four forests used geographic information systems (GIS) to calculate the suitable acres in the HCAs (see Table 5). On these forests, the absolute difference between the Region's dot count and the Forest's GIS figures was 14%.

¹¹According to the Region, a US Senator was given the original maps used to make the calculations and had not returned them.

2. Unmapped HCAs

The ISC Strategy would establish Category 3 HCAs around any pair of owls found outside of the HCAs on the Deschutes, Siuslaw, Okanogan, Wenatchee and Olympic National Forests. All national forests with spotted owl habitat currently survey for owls several times prior to preparing new timber sales.

The Siuslaw NF found seven additional owl pairs after the Region counted the suitable acres and estimated the impacts. Under the ISC Strategy, all of the timber within 1.5 miles of the activity center of these owls would automatically be designated as Category 3 HCAs. Since these seven owl pairs were found after the Region counted the HCA acres, its estimate does not account for the withdrawal of the approximately 27,000 total acres in these unmapped Category 3 HCAs.

As of early May, the other forests that are candidates for additional Category 3 HCAs had not found any additional owl pairs.

Region 6 did not attempt to account for the acres in the Category 4 HCAs. These HCAs would encompass at least 80 acres of suitable habitat around existing pairs of owls. About 61% of the known pairs (668 pairs out of 1098 pairs) in Region 6 forests exist outside of the mapped HCAs. At 80 acres per HCA, the Category 4 HCAs would include a minimum of 53,440 acres.

3. The 50-11-40 rule

The Region 6 impact estimates do not take into account the impact of the 50-11-40 rule. The Region performed a cursory analysis of the rule and found that it could reduce the ASQ, especially if applied at the quarter-township level (5,760 acres). The Willamette NF found that if the rule were applied at a sub-basin level (25-30,000 acres), the impacts were much less. The Region guessed that on many forests, the 50-11-40 rule could reduce the ASQs by 5% or more.¹²

Interviews with forest planning staff in the region revealed that there are a variety of opinions about the impact of the 50-11-40 rule on USFS ASQs. The NFMA forest planning process has already incorporated a number of factors into the ASQ calculations that would tend to minimize the impact:

- The USFS forest plan ASQs are already based on rotations greater than 70-80 years;

¹²USDA Region 6, "Summary of Information released 5/3/90," May 3, 1990.

- The forest planning process has already allocated a large portion of the timberland base to uses that would use no-harvest or extended rotation prescriptions (ie visuals, wildlife, riparian protection, recreation, etc.) Land so allocated will help meet the 50-11-40 rule requirements.
- Most forest planning harvest schedules have been derived under some kind of dispersion constraint. Although these constraints were not formulated at the quarter-township level, they still tend to hold harvest below timber maximizing levels.

Other factors tend to support the notion that the 50-11-40 rule could further reduce the USFS ASQs:

- Most of the current harvest scheduling models that use harvest dispersion constraints. Old-growth stands are particularly important in these models because they produce more timber per disturbed acre than do younger stands. If the HCAs contain a disproportionate share of the old-growth stands, more young acres have to be harvested to produce a given level of output. The 50-11-40 rule, therefore, may become more constraining than the current harvest dispersion constraints.
- Past harvest on many forests has been concentrated on the acres outside of existing roadless areas. The 50-11-40 rule applied at the quarter-township level may preclude further harvest from some of these areas. In theory, the roadless areas could be used to mitigate this impact. The rule would allow 50% of a roadless area to be accessed immediately, assuming it is all greater than 11 inches and 40% closure. The forest plans, however, have not allocated all of the roadless areas to timber management, and other forest plan constraints preclude heavy entry into these areas.

4. Harvest scheduling impacts

In estimating the ASQ impacts, the Region did not explicitly recognize the site productivity, existing stand volume or age class distribution of the acres included in the HCAs. These factors play an important role in the USFS harvest schedule models, given the fact that the USFS ASQs are constrained by non-declining flow requirements.

Site productivity is important since it directly affects the Long Run Sustained Yield. If the HCA acres are more productive than the average acres, the Long Run Sustained Yield will drop by more than the percentage of acres removed from the timber base. Although the first decade ASQ on most of the affected national forests is not directly affected by the Long Run Sustained Yield constraints, site productivity also affects

how fast regenerated stands grow and, therefore, affects the ability of the model to meet non-declining flow constraints over the next few decades.

Knowing the current volume and age class distribution of the existing stands within the HCAs is critical to an accurate calculation of the ASQ impact of withdrawing the HCA acres. These factors have a direct impact on first decade harvest levels through the non-declining flow constraints. High volume old-growth stands often play a key role in the first few decades of the harvest schedule while the younger stands approach maturity. The old-growth stands on the Willamette NF, for example, fill a "gap" created by a highly skewed age class distribution. Withdrawing 10,000 acres of old-growth on the Willamette would have a much greater impact on the first decade ASQ than withdrawing 10,000 acres of plantations or young growth.

Neither the Region nor the individual forests were able to provide a quantitative breakdown of the characteristics of the acres included in the HCAs. In telephone interviews, Region and Forest staff thought that the HCAs: (1) are generally located at lower elevations and the better sites; and (2) contain a greater than average proportion of high-volume old-growth stands. If this is true, simply reducing the ASQ by a percentage equal to the percent of suitable acres in the HCAs will underestimate the impact of the HCA withdrawal on the HCAs. The Region gave this as one of the reasons for making the 5% additional adjustment to the straight line acreage based impact estimates.

5. Land Allocations

Within the suitable land base, timberland may be managed under a wide range of silvicultural and harvest regimes. Lands allocated to visual, wildlife, recreation or riparian management produce less volume per acre on an annualized basis than lands managed primarily for timber management.

The Region's estimates did not take into account information about how timberland within the HCAs was allocated in the forest plan beyond determining how many acres were "suitable" for timber production. By ignoring the land allocations for the timberland within the HCAs, the Region's calculations implicitly assume that the HCAs have an "average" distribution of land allocations. Without more information, it is impossible to determine whether this assumption understates or overstates the impacts.

6. Disposition of the SOHAs

The existing final and projected final NFMA forest plans withdraw otherwise suitable timberland for Spotted Owl Habitat Areas (SOHAs). The SOHA network is the backbone of the existing spotted owl protection plan that the ISC believes is likely to fail. About 340,000 acres are in SOHAs outside of the HCAs could theoretically come back

into timber production if the ISC Strategy replaces the SOHA strategy. The Region did not add these acres back into the base before calculating the HCA impacts. The Region estimated that only 25% (85,000) of these SOHA acres would come back into the base because: (1) the existing SOHAs were located so as to overlap with habitat needed for other species; (2) the 340,000 acre total includes unsuitable land; and (3) the Category 4 HCAs will overlap with the SOHAs.

A total of 1,793,400 suitable acres are included in the HCAs in Region 6 national forests. Adding 85,000 SOHA acres back into the timber base would decrease the withdrawal by 5% and presumably decrease the timber impacts by slightly more than 5%.

C. Additional Forest level analysis in Region 6

Four of the Region 6 forests performed additional analyses of the timber output impacts of the ISC Strategy. These analyses are briefly described below.

1. Siuslaw NF - PC FORPLAN analysis

The Siuslaw NF performed two additional analyses pertaining to the ISC Strategy. First, the Forest delineated the HCA boundaries in its GIS and obtained a listing of HCA acres by timber type. The total suitable acres from the GIS was about 14% below the Region's computation, as shown in Table 5.

Second, the Forest performed a harvest scheduling analysis on a PC version of its FORPLAN¹³ model. Unfortunately, the GIS land classification does not match the PC-FORPLAN land classification. This meant that the Forest could not remove from the timber base the acres specific to the mapped HCAs. Instead, the Forest prorated the total HCA withdrawal across all of the suitable land base. If, for example, the HCAs contained 40% of the suitable acres, then 40% of each timber type was removed from the land base available to the model.

The result of the PC-FORPLAN run was reportedly close to the Region's estimate. This is not surprising since in both cases, the withdrawal was not specific to the types of timber removed. If more than 40% of the older stands and less than 40% of the younger stands had been removed from the available timber base, the FORPLAN model would have calculated a greater impact.

The Siuslaw NF did not perform any additional analysis of the 50-11-40 rule.

¹³FORPLAN - FORest PLANning model. A linear programming model used by the USFS for timber harvest scheduling.

2. Olympic NF - FORPLAN analysis

The Olympic NF counted the acres in the HCAs according to its FORPLAN land stratification. The Forest removed the HCA acres from the FORPLAN timber base and reran the model formulation used for its proposed final plan alternative.

According to the Forest, the Olympic NF HCAs contain a higher than average proportion of old-growth stands. The HCAs, for example, encompass 49% of the General Forest allocation, but contain 63% of the old growth in General Forest. They contain 41% of the visual management areas, but 65% of the old growth in visual areas. The HCAs contain 60% of the watershed management areas, but 71% of the old growth in the watershed areas.

The FORPLAN model run produced a first decade ASQ of 43 MMbf, as shown in the USDA/USDI report. The Region 6 methodology would have estimated the ASQ to be 54 MMbf. The FORPLAN derived ASQ is 20% below what the Region would have ultimately estimated and 25% below the straight line acreage based reduction.

The difference between the FORPLAN solution and the Region's estimate is due solely to the harvest scheduling factors discussed in Section IV.B.4. Since the HCAs encompass a disproportionate share of the old growth, the impacts are substantially greater than predicted by the Region's methodology.

The Olympic NF did not perform any analysis of the 50-11-40 rule.

3. Willamette NF - Spatial distribution analysis

The Willamette NF looked at the impacts of the ISC Strategy on the spatial distribution of the harvest. The Forest has a forest plan implementation modeling system that distributes the FORPLAN timber management activities to sub-basins (areas of about 25-30,000 acres). The Forest used these models to see if the Region's estimated ASQ could be distributed across the sub-basins without violating other sub-basin harvest constraints included in its proposed forest plan. The analysis apparently incorporated the restrictions behind the 50-11-40 rule, but applied them to the sub-basin level rather than the quarter-township level.

The Forest concluded that the reduced ASQ calculated by the Region could be distributed across the acres outside of the HCAs without violating the pre-existing sub-basin constraints.

As part of the analysis, the Forest recalculated an ASQ after withdrawing the HCA acres. Since it used a proration scheme similar to the Region's, the two answers did not differ significantly.

4. Mt Hood NF - Spatial distribution analysis

The Mt Hood NF asked the district timber management staff to determine how much timber could be offered in FY 1991 given the 50-11-40 rule applied at the quarter-township level. This ground-truthing exercise provided an interesting insight. Although the Region had calculated that the first decade ASQ should drop from 193 MMbf to 154 MMbf due to the ISC Strategy, the Forest could only identify 137 MMbf that could be sold in FY 1991 without violating the 50-11-40 rule. The Forest also noted that it would be unable to maintain this level in the following years. The Forest did not look further into the future to determine when or whether the impacts of the 50-11-40 rule would taper off.

The Forest's estimate of first year harvest is 11 percent below the Region's final estimate and 15 percent below the straight line acreage based reduction.

V. REVIEW OF THE BLM IMPACT CALCULATIONS.

The USDA/USDI report shows the Oregon BLM as having a proportionately greater impact than the USFS. About 46% of the BLM forest land is within the HCAs, and the agency projected a 62% harvest reduction. The comparative figures for the USFS Region 6 are 25% of the suitable acres in the HCAs resulting in a 32% reduction.

The following sections describe the BLM process and explain why its impact estimates are higher.

A. BLM methodology

The BLM harvest impact analysis was more thorough than the Region 6 analysis. The BLM first used its new GIS to identify the HCA acres by age class and timber type. These acres were then removed from the land base represented in the BLM's harvest scheduling model - SIMIX.¹⁴ The inventory basis for the BLM analysis was that used for the 1980 plans. Timber stands were not grown to 1990, harvest since 1980 was not counted, and the base land allocation and management intensity decisions were those

¹⁴SIMIX is the inventory-based binary search harvest scheduling model used by the BLM in its 1980 planning effort.

established in the 1980 plans. A separate SIMIX run was made for each BLM district, with the harvest schedule for each district constrained to a non-declining flow.

The BLM performed a four stage analysis of the impacts:

Stage 1 evaluated the impact of withdrawing the 510,000 acres in HCA Categories 1 and 2. This is about 31% of the total available land base (1,647,459 acres). Withdrawing these HCAs reduced the ASQ by 42% (687 MMbf short log).

Stage 2 evaluated the impact of withdrawing the 598,199 acres in HCA Categories 1 through 3. This is a total of 36% of the total available land base. The ASQ dropped by 48% (560 MMbf short log).

Stage 3 withdrew 611,222 in HCA Categories 1 through 4 acres in Category 4 HCAs. This is a 37% of the total land base. The ASQ dropped by nearly 49% (572 MMbf short log).

Stage 4 withdrew all of the HCA acres and extended the rotation ages in an effort to meet the 50-11-40 rule. The harvest dropped another 14% (161 MMbf short log) for a total reduction of 733 MMbf (short log) or 62%.

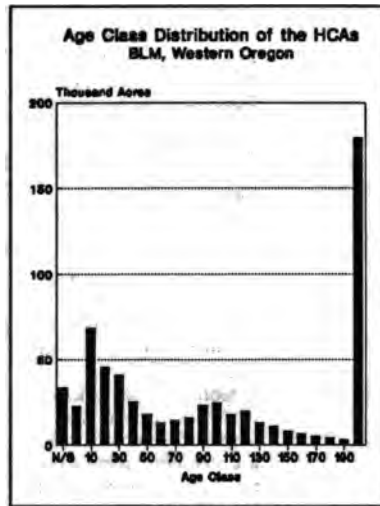


Figure 1

The BLM's impact estimate is greater on a percentage basis than the Forest Service for a number of reasons:

1. Like the Olympic NF analysis, the BLM harvest scheduling analysis takes into account the age class distribution, existing volume and site productivity of the acres in the HCAs. Figure 1 shows the age class distribution within the BLM HCAs. Figure 2 shows the percent of each age class within the BLM HCAs. Although the HCAs include 37% of the total acres, they contain about 40% of the stands older than 200 years old. The HCAs also contain a greater than average share of the acres less than 50 years old. Interestingly, the fact that the HCAs contain a higher than average proportion of plantations tends to exacerbate the impact of the unbalanced age class distribution and forces first decade harvests even lower.

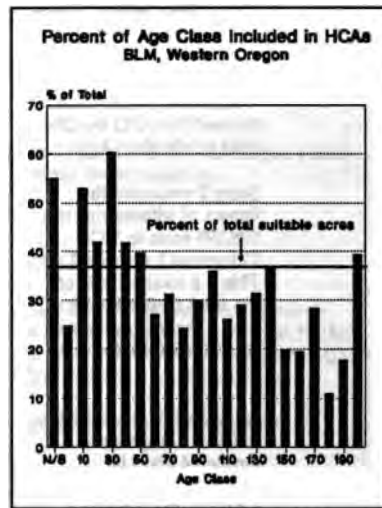


Figure 2

2. The BLM ASQ is more sensitive to the 50-11-40 rule because a number of stands were to be managed under shorter rotations, according to the 1980 plans. The 11 inch standard means that minimum rotations would have to be increased to 80 years. This would increase the impact of the mid-rotation gap on the first decade ASQ.
3. The 1980 BLM plans set aside a smaller portion of the timberland base for non-timber uses than the USFS projected plans. The impact of the 50-11-

40 rule will therefore be greater since there are fewer no-harvest stands to buffer the harvest.

B. Evaluation of the BLM methodology

1. HCA acreage calculations in error

The BLM used its new GIS database to calculate the number and type of acres in the HCAs. Unfortunately, the GIS does not contain a layer showing the existing land allocation. Recognizing that some suitable timber acres had already been withdrawn for other purposes, the BLM used a spreadsheet to adjust the HCA acreage calculation from the GIS.

After the USDA/USDI report was released, the BLM's internal audit of the figures revealed that a spreadsheet formula error had caused a double counting of some of the withdrawn acres. The BLM impacts, therefore, overstate the suitable timber withdrawn in the HCAs by about 128,000 acres. We calculated that adding these acres back into the available land base and subjecting them to the 50-11-40 rule would increase the BLM ASQ under the ISC Strategy by 62 MMbf (short log). The ASQ would drop from 1,176 MMbf to 505 MMbf rather than the 443 MMbf reported by the agency (all volumes in short log scale).

2. The 50-11-40 rule

The BLM continued its analysis of the 50-11-40 rule after the release of the USDA/USDI report. In ground-truthing the solution, the BLM found that simply extending the rotation ages in the harvest scheduling model underestimated the short term impacts of applying the 50-11-40 rule on a quarter-township basis. In other words, the SIMIX analysis assumed the stands are optimally juxtaposed. In reality, however, the available stands are not spread evenly between all quarter townships. Thus some of the acres that the SIMIX model identified for harvest in the first decade will not be available until the surrounding stands grow enough to meet the 11 inch and 40% closure standard.

3. Existing SOHAs

The starting point for the BLM analysis is the 1980 plans. Since those plans were finalized, the BLM entered into an agreement with the Oregon Department of Fish and Wildlife to protect 110 SOHAs of about 2,200 acres each. Under the agreement, harvest would be prohibited in these areas until the agency completes its plans in the 1990s. The

long term impacts of the withdrawal would be about 205 MMbf short log.¹⁵ The USDA/USDI report does not include this reduction in the projected plan ASQ figures.

4. The SIMIX land base

The BLM used its GIS database to delineate and describe the timberland within the HCAs by age class. These acres were then subtracted from the inventory represented in SIMIX.

There is an incompatibility between the SIMIX and the GIS inventories. The SIMIX land base is a statistical expansion of plot measurements from a 1978 inventory and, therefore, is not tied to specific locations. The GIS land base is based on a 1988 inventory and is spatially identified. Subtracting the HCA acres identified in the GIS system from the land base in SIMIX may have resulted in some statistical error. It is not possible at this point to determine whether the potential error would tend to understate or overstate the impacts.

Another possible source of error lies in the fact that the SIMIX inventory was not updated to reflect either growth or harvest between 1978 and 1990. Again, it is difficult to determine the effects on the estimate. Since the GIS database is more current, HCAs mapped in the GIS database should contain less old growth and more plantations than if they had been mapped on the 1978 inventory maps represented in the SIMIX model.

VI. REVIEW OF REGION 5 IMPACTS

The northern spotted owl habitat identified in the ISC Report encompasses four national forests in Region 5 – the Klamath, Mendocino, Shasta-Trinity and Six Rivers National Forests. The timber output impacts of the ISC Strategy were calculated by each of the four affected forests rather than by the Region. The Region consolidated the individual forest reports into the regional report sent to Washington.¹⁶

¹⁵See Sessions, et al. "Timber for Oregon's Tomorrow: The 1989 Update," Oregon State University, May 1990, page 60.

¹⁶It was particularly difficult to get any information about the Region 5 impact analysis. The agency did not provide any written documentation of its findings until June 19, 1990.

A. Region 5 Methodology

Three of the forests (Mendocino, Shasta-Trinity and Klamath NFs) calculated the impact in a fashion similar to the Region 6 approach – the ASQ was reduced by a percentage equal to the percent of suitable timber included in the HCAs. Two forests adjusted the initial estimate to account for harvest scheduling impacts, although the details of the adjustment have not been made available.

The Six Rivers NF made a FORPLAN run. The acres in each analysis area specific to the HCAs were withdrawn from the timber base. The ASQ dropped from 135 MMbf¹⁷ to 92 MMbf a 32% drop on 29% of the suitable acres.

Although the analysis was conducted by each forest separately, there appears to have been some standardization in the parameters of the analysis. For example:

Each of the Region 5 forests calculated the acres in the Category 4 HCAs and used these acres in their estimates. The Category 4 HCAs totaled 16,735 acres, only about 1% of the gross acreage in the HCAs.

None of the Region 5 forests analyzed the impacts of the 50-11-40 rule. The Region's summary report noted that in the short term, the impacts could be "highly significant."

SOHAs outside of the HCAs were put back into the suitable acre base if they were not needed for other purposes. The projected forest plans would withdraw over 205,000 acres of otherwise suitable lands for Spotted Owl Habitat Areas (SOHAs). According to the Region, about 51,000 of those acres (25%) could be released for timber management under the ISC Strategy. The Region 5 impact estimates are based on the notion that these acres would come back into the timber base.

B. Evaluation of the Region 5 Methodology

Several of the points raised under the discussion of the Region 6 methodology apply to the Region 5 estimates and are not discussed again in detail:

Maps and worksheets of suitable acres have not been provided and have not been checked.

¹⁷The projected plan ASQ for the Six Rivers was reported in the USDA/USDI report as 150 MMbf. Discussions with the Forest revealed that the most recent projection prior to the release of the ISC Report was 135 MMbf.

The three forests that did not make a FORPLAN run did not account for the land allocation of the HCA acres removed from the timber base.

The Region 5 estimates do not take into account the impact of the 50-11-40 rule.

It is not clear that adequate adjustment was made for the harvest scheduling impacts of taking the better acres out of the timber base.

The Region 5 forests did a more thorough job than Region 6 on two aspects of the analysis. The impact estimates should, therefore, be more accurate for the following reasons:

Category 4 HCAs were identified and withdrawn from the timber base.

SOHA acres falling outside of the HCAs that are not needed to meet other resource objectives were put back into the timber base.

One factor unique to the Region 5 estimates is discussed in more detail below.

1. ASQ vs "planned" sale volumes

In developing the NFMA forest plans, Region 5 has indicated that it does not intend to offer the full ASQ for sale in the first decade. The Region 5 report to the Washington Office notes specifically that the ASQs are higher than the "planned" sale volumes. Table 2 compares the reduction due to the ISC Strategy on both an ASQ and a "planned" sale basis. It shows that the reduction on a planned basis is substantially greater than the reduction on an ASQ basis.

Table 2
1991-93 Planned Sales vs ASQ
(MMbf)

	<u>w/o ISC Strategy</u>	<u>w/ ISC Strategy</u>	<u>% Change</u>
Planned Sales	487	193	60
ASQ	600	392	35

VII. REVIEW OF THE IMPACTS ON STATE TIMBERLANDS

The HCAs mapped in the ISC Report include about 517,000 acres of suitable land managed by the states of California, Oregon and Washington. Although the ISC Report skirts the issue concerning the authority of the federal government to require the states to comply with the provisions of a habitat conservation strategy, the Report identifies the HCAs mapped on state land in Southwestern Washington, Northwestern Oregon and along the California Coast as important to the success of the strategy.

Table 3 summarizes the state owned acres in the HCAs and the contributions they make toward the planned ASQs.

Table 3
HCA Acres and Impacts on State Lands

	ASQ w/o ISC Strategy MMbf	Acres in HCAs	Change in ASQ due to ISC Strategy
California	28	51,000	-28
Oregon	230	217,000	-50
Washington	650	256,000	-150

A. California Impacts

All state owned timberland on the northern coast of California is included in mapped HCAs. Only one of these HCAs encompasses an area managed for commercial timber harvest, the Jackson State Demonstration Forest. The forest manager believes that establishing an HCA on the Jackson State Forest would preclude any further harvest. The impact shown in Table 3 represents the entire planned output of the Jackson State Forest.

B. Oregon Impacts

The Oregon impacts were calculated by the Oregon State Department of Forestry and were included in an April 30, 1990 press release. The impacts were calculated by reducing the ASQ by the percentage of total acres within the HCAs. According to the release, the long run harvest reduction could be nearly twice as much as the first decade impact shown, since the HCAs encompass a large portion of State land that has not yet reached maturity.

The State of Oregon estimate does not take into account the 50-11-40 rule.

In mid-June, the State recalculated the impacts on a county basis. The new estimate is that the ASQ would be reduced by 71 MMbf. Again, this figure does not take into account the 50-11-40 rule.

C. Washington Impacts

To calculate the Washington impacts, the HCA acres were identified by age class. Based on years of experience with its harvest scheduling model, the State has developed multipliers representing the per acre ASQ contribution by age class. The estimated impact is the sum of the products of the HCA acres and these multipliers.

The State of Washington estimate does not take into account the 50-11-40 rule.

VIII. REVISED ESTIMATES OF IMPACTS ON PUBLIC LAND

Table 4 compares our estimates of the timber output impacts resulting from the ISC Strategy to: (1) the 1983-87 average sawtimber harvest¹⁸; (2) the projected harvest without the ISC Strategy; and (3) the agencies' estimates of the projected harvest with the ISC Strategy. Figure 3 compares the estimates to annual harvests.

In some cases, our estimates of the timber output impacts are based on less information than we would have preferred. The USFS, for example, was unable to provide any quantified estimates about the age class distribution, the species and site class distribution or the land allocation of the acres included in the HCAs. Where judgement was required, our estimates are conservative in estimating impacts -- we chose the processes that would tend to understate the impacts (or overstate the projected ASQ with the ISC Strategy).

The volumes in Table 4 are first decade impacts. While longer term impacts are more difficult to estimate, we would expect that the impacts of the 50-11-40 rule would diminish over time as each quarter township approaches regulation on an 80 year rotation. Since many forests project an increasing ASQ over time, however, the difference between ASQs with and without the ISC Strategy could increase in the future.

The figures in Table 4 do not assume any mitigation of the timber output impacts. The ISC Report is silent about how much timber impact mitigation would be permitted outside of the HCAs.

All volumes in Table 4 for Oregon and Washington are in long log scale. The California volumes are in short log scale. The three state total is in long log scale.

The following sections describe how we estimated the timber output impacts shown in Table 4.

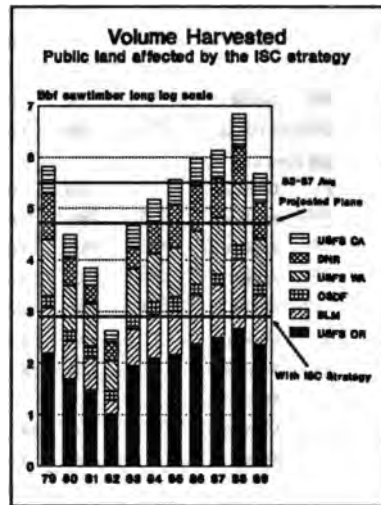


Figure 3

¹⁸Source: Timber Data Company, Eugene, Oregon.

Table 4
Comparison of Projected ASQs
With and Without the ISC Strategy
(MMbF Sawtimber)

			Projected Plans w/o Strategy		Projected Plans w/ Strategy			
State/ Agency	Administrative Unit	1983-87 Average Harvest	ASQ	Change from Harvest	Agency Estimate	This Study Estimate	Change from Plans	Change from Harvest
CALIFORNIA (Short Log)								
USFS	Klamath	169	142	-27	110	107	-35	-62
	Mendocino	83	84	1	58	50	-34	-33
	Shasta-Trinity	219	195	-24	132	125	-70	-94
	Six Rivers	130	135	5	92	81	-54	-48
	USFS Total	601	556	-45	392	363	-193	-237
BLM	Ukiah	9	9	0	3	3	-6	-6
CA State	Jackson	28	28	0	0	0	-28	-28
CALIFORNIA TOTAL		638	593	-45	395	366	-227	-271
OREGON (Long Log)								
USFS	Deschutes*	156	83	-73	76	74	-9	-81
	Mt Hood	327	193	-134	154	142	-51	-185
	Rogue River	177	120	-57	85	74	-46	-104
	Siskiyou	137	160	23	119	111	-49	-26
	Siuslaw	311	335	24	198	152	-183	-159
	Umpqua	324	334	10	273	232	-102	-92
	Willamette	581	491	-90	333	270	-221	-311
	Winema*	132	95	-37	91	89	-6	-43
	USFS Total	2,144	1,811	-333	1,329	1,144	-668	-1000
BLM	Salem*	189	173	-16	51	78	-95	-111
	Eugene*	172	149	-23	49	52	-97	-120
	Roseburg*	212	138	-74	85	92	-46	-120
	Medford*	167	165	-2	102	103	-62	-64
	Coos Bay*	166	181	15	80	95	-86	-72
	BLM Total*	907	806	-100	368	420	-386	-487
OR State	Western OR	230	230	0	180	180	-50	-50
OREGON TOTAL		3,281	2,848	-433	1,877	1,744	-1104	-1537

Table 4
Comparison of Projected ASQs
With and Without the ISC Strategy
(Mid-Mid September)

State/ Agency		Administrative Unit	1983-87 Average Harvest	Projected Plans w/o Strategy		Projected Plans w/ Strategy			
				ASQ	Change from Harvest	Agency Estimate	This Study Estimate	Change from Plans	Change from Harvest
<u>WASHINGTON (Long Log)</u>									
USFS	Gifford Pinchot	315	334	19	189	163	-171	-152	
	Mt Baker-Snoqualmie	206	108	-98	45	29	-79	-177	
	Okanogan*	62	52	-10	49	49	-3	-13	
	Olympic	230	111	-119	43	40	-71	-190	
	Wenatchee*	140	113	-27	69	61	-52	-79	
	USFS Total	953	718	-235	395	342	-376	-611	
WA State	Western WA	697	650	-47	500	500	-150	-197	
WASHINGTON TOTAL		1,650	1,368	-281	895	842	-526	-808	
<u>Three State Owl Region (Long Log)</u>									
	USFS Total	3,596	2,991	-605	2,049	1,787	-1,204	-1,808	
	BLM	914	814	-100	370	422	-391	-492	
	States	950	903	-47	680	680	-223	-270	
	TOTAL Public	5,460	4,708	-752	3,099	2,890	-1,818	-2,570	

Note: * indicates that the volume has been converted to long log scale

A. US Forest Service

Our estimate of the impacts of the ISC Strategy on the USFS ASQs exceed the agency's estimate by 262 MMbf long log scale. The following sections explain the differences.

1. Including unmapped HCAs

We withdrew an additional 17,000 acres of suitable land from the Siuslaw NF land base to account for the additional Category 3 HCAs identified after Region 6 counted the HCA acres. The Forest estimated that the additional HCAs encompassed 27,000 total acres. Since about 63% of the total forested acres are classified as suitable timberland, we estimated that 63% or 17,000 of these unmapped HCAs were suitable forest land.

Both Region 5 and the BLM included acres in unmapped Category 4 HCA's in their original estimates. Region 6, however, did not. Based on the information found in the ISC Report, we removed an additional 30,000 acres from the Region 6 suitable land base to account for the Category 4 HCAs. The acres were allocated between the westside forests based on the percent of mapped HCAs in each forest.

2. Correction of HCA Acres

Using their new GIS databases, four Region 6 forests calculated the suitable acres in the HCAs independently of the Region's effort. Where they differ, our estimates are based on the GIS measured acres rather than Region's dot count. Table 5 compares the dot count and the GIS acres for the forests where there was a difference.

Table 6
Suitable Acres for the Draft and Projected Plans
 (acres)

	Draft Plan	Projected Plan	Difference
Mt Hood	513,900	468,000	-45,900
Willamette	858,200	774,600	-83,600
Total	1,372,100	1,242,600	-129,500

Using the corrected projected plan acres with the projected plan ASQs increases our impact estimate.

4. Correcting projected ASQs

In the process of checking the Forest Service figures, we compared acres to the ASQs for various alternatives in the draft plans and the ISC Strategy. We found two forests where the reduction in ASQ for the ISC Strategy was outside of the expected range. Further investigation revealed that the projected plan ASQs without the ISC Strategy shown in the USDA/USDI report are overstated. It appears that the Forests had already reduced the projected plan ASQs prior to the announcement of the ISC Strategy, but had not yet notified the Region. Table 7 compares the projected ASQs as shown in the USDA/USDI report to the likely projected plan ASQs if the ISC Strategy were not adopted.

Table 7
Projected Plan ASQs without ISC Strategy
 (MMbf)

	From USDA/USDI Report	Likely ASQ w/o Strategy	Difference
Shasta-Trinity	224	195	-29
Six Rivers	150	135	-15
Total	374	330	-44

The impacts in Table 4 are based on the likely ASQs shown above. This decision allocates 44 MMbf of the change from past harvest levels to the forest planning process and away from the ISC Strategy.

5. ASQ Impacts

As discussed in Section IV.A., Region 6 calculated the ASQ under the ISC Strategy as:

Table 5
Comparison of Dot Count and GIS Suitable Acres in the HCAs
(Acres)

	Region's Dot Count	Forest's GIS	Difference
Rogue River	90,000	68,000	-22,000
Siuslaw	144,000	124,000	-20,000
Umpqua	135,000	162,000	27,000
Willamette	263,000	246,000	-17,000
Total	632,000	600,000	
Net difference			-32,000
Absolute difference			86,000

Using the GIS acres rather than the dot count acres reduces our impact estimate since there is a net reduction in the acres assumed to be withdrawn.

3. Correcting suitable acres for the projected plan

The Region 6 estimate uses the total suitable acres for the projected plan as a basis for calculating the percentage of suitable land in the HCAs. We found that on two forests the Region had used the total suitable land from the draft plan rather than the projected plan. Since the suitable acres in the draft plans are greater than in the projected plans, this error had the effect of underestimating the impacts. Table 6 compares the draft and projected plan suitable acres where there was a difference.

$$(ASQ_{proj} - (ASQ_{proj} \times \frac{SuitAcres_{HCA}}{SuitAcres_{Total}})) \times .95$$

According to the Region, the intention behind the 5% downward adjustment (the .95 factor) was to take into account some of the harvest scheduling impacts resulting from removing above-average acres out of the timber base.

A review of the results of the Olympic NF FORPLAN run and the BLM's SIMIX runs indicates that a 5% reduction underestimates the harvest scheduling impact. The Olympic's FORPLAN ASQ was 20% less than the ASQ that would have been derived from the Region's formula and 25% less than a straight line acreage based reduction.

To develop a reasonable harvest scheduling adjustment factor, we compared the percentage of acres withdrawn to the percentage reduction in harvest for the BLM districts. The average difference was 32% -- the ASQ dropped by 49% when only 37% of the acres were withdrawn ($49\% / 37\% = 1.32$ or a 32% additional impact for harvest scheduling impacts). Since nearly all BLM districts showed an impact greater than the 25% difference on the Olympic, we felt that a 20% factor was a conservatively reasonable adjustment factor to apply to all USFS forests.

Based on the Mt Hood analysis and the Willamette analysis described above as well as conversations with the forest planners, we believe it is prudent to also make a first decade adjustment for the 50-11-40 rule. The Mt Hood found that it could only find 137 MMbf in the first year compared to the 154 projected by the Region. This is an 11% reduction from the Region's final estimate and a 15% reduction from the straight line acreage based reduction. We decided to use 5% as a conservative estimate of the impact of the 50-11-40 rule on the volume that could be scheduled from the acres outside of the HCA.

Using a factor of 1.20 to account for harvest scheduling impacts and a factor of .95 for the impacts of the 50-11-40 rule, our estimate of the projected ASQ under the ISC Strategy was calculated as follows:

$$(ASQ_{proj} - (ASQ_{proj} \times \frac{SuitAcres_{HCA}}{SuitAcres_{Total}})) \times 1.20 \times .95$$

This equation was applied to all USFS forests with the exception of the Mt Baker-Snoqualmie. Since the suitable acres in the HCAs on that forest comprised 65.5% of the total suitable acres, we used a harvest scheduling factor of 1.10 rather than 1.20.

6. SOHA adjustments

Our Region 6 estimates are not based on an additional adjustment for SOHAs outside of the HCAs that might come back into the suitable land base. Region 6

estimated that about 85,000 acres (25% of the 340,000 SOHA acres outside of the HCAs) could come back into the timber base if the ISC Strategy replaced the SOHA strategy. If 85,000 additional acres were added to the suitable land based, the projected ASQs could increase by 30-40 MMbf.

7. Unexplained differences

In reviewing the documentation, we found that with only two exceptions, the USDA/USDI report faithfully reproduces the timber output estimates made at the forest and region level. It appears that the role of the Washington Office was limited to estimating the economic and social impacts.

The exceptions appear to have little consequence. Region 5 reported the projected ASQ with the ISC Strategy for the Mendocino and Shasta-Trinity forests as 58 MMbf and 132 MMbf respectively. The USDA/USDI report shows the ASQs as 66 MMbf and 129 MMbf. Since the Region 5 analysts cannot explain the difference, we decided to use the figures originally reported by the Region as a basis for our comparisons.

8. Planned sale vs ASQ

Table 2 compares the planned sale level and the ASQ shown in the plan. Although the percentage impact is greater on the planned sale basis, our estimates are based on the projected ASQ. This puts all of the Region 5 impacts on the same basis as the Region 6 impacts, and avoids clouding the spotted owl impacts with the impacts of another and quite different issue.

B. BLM

The BLM's impact estimates are the result of an intensive mapping and timber harvest scheduling analysis. The BLM's GIS was used to identify HCA acres by age class. The acres in each age class were withdrawn from the suitable land base in three stages and the impact of the 50-11-40 rule was tested on the final run by lengthening the minimum rotation age. This series of analyses was performed for each of the BLM's twelve planning units in Western Oregon.

Our impact estimates for the BLM are 52 MMbf long log scale less than the BLM estimates shown in the USDA/USDI report. We made only two adjustments to the BLM figures.

1. Correction for double counting.

As explained in Section V.B.1., the BLM was not able to use its GIS to intersect the timber information with the current land allocation. Adjustments were made in a spreadsheet to try to account for overlap between land previously allocated to no-harvest prescriptions and the HCAs. A spreadsheet error, however, led to acres being added to the HCAs rather than subtracted from them. The land withdrawal for the HCAs, therefore, was too large.

Using acreage figures supplied by the BLM, we attempted to correct the double counting. The correction was made by multiplying an average harvest scheduling impact factor for each planning unit by the double counted acres. A factor based on the BLM's 50-11-40 analysis was then applied to the double counted acres.

This correction accounts for the 52 MMbf difference between our projection and the BLM's projection of the ASQs under the ISC Strategy.

2. Adjustment for existing SOHAs

The projected plan levels for the BLM shown in the USDA/USDI report are based on plans adopted in the early 1980's. The ASQs from the current round of planning will not be known until the plans are completed in 1992. After the existing plans were completed, however, the BLM entered into an agreement with the Oregon Department of Fish and Wildlife to reserve from harvest 110 SOHAs until the new plans are completed. Approximately 242,000 acres are included in these SOHAs, and they contribute 202 MMbf short log (169 MMbf long log) to the ASQ.¹⁹

To put the BLM projected plan ASQs on the same basis as the other agencies -- the most likely harvest if the ISC Strategy were not implemented -- we reduced the projected plan ASQ by the volumes associated with the 110 SOHAs.²⁰ The comparison between average harvest and the projected plans with and without the ISC Strategy, therefore, allocates impact away from the ISC Strategy and to the planning process.

Since information about the overlap between the 110 SOHAs and the HCAs was not available, we assumed that the HCAs overlap the SOHAs completely. If they do not, our estimate of the impact of the ISC Strategy understates the actual impact.

3. Additional impacts of the 50-11-40 rule

Subsequent spatial analysis performed by the BLM has shown that in the short term, the initial 50-11-40 analysis understates the total impact because it assumes an optimal geographic distribution of age classes. We did not make additional adjustments, however, since the BLM's additional analysis did not specify how long the additional impacts would last. Our estimates, therefore, probably understate the short term impacts.

C. Impacts on State harvests

Based on conversations with the state analysts responsible for generating impact estimates, we decided to accept the impact estimates made by the three states without modification.

¹⁹These SOHAs were not involved in the BLM's attempt to take into account the overlap between the HCAs and the current land allocation.

²⁰The volume reduction was prorated between BLM districts based on the table found on page 60 of "Timber for Oregon's Tomorrow."

In Oregon and Washington, the States' estimates understate the total impact since the impact of the 50-11-40 rule was not taken into account. Based on the findings on BLM and private lands, the 50-11-40 rule could add a significant impact to these estimates.

The Oregon Department of Forestry recently revised its estimate of impacts on State land from 50 MMbf to 71 MMbf. We used the lower figure since the revision was made after we initially released our estimates.

D. Other public ownerships

Due to time constraints, our estimates do not take into account potential timber output reductions on two other public ownerships.

One HCA encompasses most of the forest land within Fort Lewis, Washington. The Department of Defense annually sells about 5-10 MMbf from these lands. Our impact estimates, however, do not include any reduction from this land.

A number of Indian tribes own timberland within the spotted owl habitat range. It does not appear that the HCAs encompass much of the tribal land.

states came from a number of sources.²³ The results were expanded over the entire forest industry land base and one half of the non-industrial private land base. The reduction for the non-industrial land is based on the observation that non-industrial landowners have historically harvested at substantially less than their potential sustainable yield level and the assumption that they would continue to do so.

The bulk of the reduction shown in Table 8 is due to the 50-11-40 rule. Private landowners currently manage on rotations well below the 70-80 year rotation implied by the 50-11-40 rule. Harvest under the ISC Strategy is delayed for a few decades while the inventory grows to the point that it could support the longer rotation.

2. California impact estimates

A study prepared and funded by the timber industry in California found a relatively large number of owl pairs living on private forest lands in California. The California owls were found to live in stands that are only 50 to 80 years old. Perhaps because of this unexpected finding, the ISC Report gives special attention to habitat on private lands. The Report states:

"Private lands in northern California currently support a significant portion of the spotted owl population in northern California. Maintaining a viable owl population on these lands is critical. Unless these owl populations are maintained, a dramatic reduction in the owl population will occur in the coastal area from Marin County north to Humboldt County and in the area east of Clair Engle Reservoir.

"Inadequate Federal land exists in these areas to fully apply the standards and guidelines to sustain owl viability....

"The system of HCAs on Federal lands may result in an average density of about 1.7 pairs per township. Given the owl populations now on private land in the Shasta/McCloud and northern California Coast range, a similar density on the higher site quality, lower elevation lands in private ownership would be possible. We recommend that a State-initiated habitat conservation plan be written to provide a system to augment owls on Federal Lands.....

"The Committee recognizes that management on private and State lands represents a considerably different scenario than does management on

²³ Bassett, Patricia M. and Grover A. Choate, 1974 Timber Resource Statistics for Washington, USDA Forest Service, PNW Station, January 1, 1973.

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 Timber resource statistics for all forest land, except national forests in eastern Oregon, 1969.
 Timber resource statistics for non-federal forest land in west-central Oregon, 1967.
 Timber resource statistics for non-federal forest land in northwest Oregon, 1986.
 Timber resource statistics for non-federal forest land in southwest Oregon, 1986.

1. Oregon and Washington

Questionnaires were sent to private forest landowners in Oregon and Washington that asked how the ISC Strategy would affect planned harvests if private lands were managed under the same guidelines as public lands. Appendix B contains a sample survey response form. An abbreviated version follows:

Within the HCAs:

How many acres of timberland do you own within mapped HCAs?

Show the annual change in planned harvest for the following periods if you could not harvest within the HCAs:

1990-1995 1996-2000 2001-2010 2011-2020 2021-2030 2031-2040

Show the associated change in Long Run Sustained Yield.

Outside the HCAs:

How many acres of timberland do you own outside of the mapped HCAs?

Show the annual change in planned harvest for the following periods if you were required to meet the 50-11-40 rule on those acres.

1990-1995 1996-2000 2001-2010 2011-2020 2021-2030 2031-2040

Show the associated change in Long Run Sustained Yield.

There were some differences between the Oregon and Washington surveys. The Washington survey asked for harvest levels with and without the ISC Strategy, rather than just the change. The Washington survey did not ask about Long Run Sustained Yield.

In Oregon, the survey responses represent about 64% of the total private forest industry land within the owl region. The comparable response figure for Washington is 87%. Telephone calls were made to the survey respondents to clarify the answers where necessary. Since the surveys were confidential, it is not possible to provide a geographical breakdown below the state level.

The summarized responses were expanded to cover the entire private forest land base. The total private forest land acres within the Oregon HCAs were provided by the Oregon State Department of Forestry. The Washington figures were derived from the ISC Report, the HCA maps and the public agencies. Total private forest land within the

states came from a number of sources.²³ The results were expanded over the entire forest industry land base and one half of the non-industrial private land base. The reduction for the non-industrial land is based on the observation that non-industrial landowners have historically harvested at substantially less than their potential sustainable yield level and the assumption that they would continue to do so.

The bulk of the reduction shown in Table 8 is due to the 50-11-40 rule. Private landowners currently manage on rotations well below the 70-80 year rotation implied by the 50-11-40 rule. Harvest under the ISC Strategy is delayed for a few decades while the inventory grows to the point that it could support the longer rotation.

2. California impact estimates

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Timber resource statistics for non-federal forest land in northwest Oregon, 1966.
Timber resource statistics for non-federal forest land in southwest Oregon, 1966.

Federal lands. Therefore, we believe that management of suitable habitat on private and State lands should be carried out under the leadership of the State of California with cooperation of private landowners. The State, with its cooperators, should prepare a habitat conservation plan within one year that specifies how the owl population is to be maintained, and how the necessary monitoring and research to guide adaptive management will be carried out. (ISC Report, pages 349-350)

The ISC Report identifies two HCAs (C-46 and C-99) that have no boundaries. The implication is that these two HCAs include all of the private land in the Shasta/McCloud area and the northern California Coast Range, respectively.

Since the release of the ISC Report, the California Department of Forestry and Fire Protection (CDF) has been working on two fronts:

- The CDF has presented interim measures to the Board of Forestry that will be used to review Timber Harvest Plans (THPs) required prior to harvest on private land. The measures are based on a "no take" strategy -- harvests that would adversely affect spotted owls or their habitat will not be permitted.
- The CDF is also preparing a long-term habitat conservation strategy. Alternatives ranging from no change to full mitigation ("no take") will be considered by the Board of Forestry sometime after the federal agencies decide upon a conservation strategy.

Given the fact that the ISC Report delegates authority to the State to prepare a habitat conservation plan coupled with the ambiguous delineation of private land HCAs, we ultimately came to the conclusion that a survey of private landowners in California would not provide a defensible estimate of private land impacts. The private land impacts for California shown in this report, therefore, are based on the interim measures proposed by CDF. The timber output impacts were estimated by the Timber Association of California to be 80% of planned harvest.

3. Comparison with USDA/USDI report

Our estimates of private land impacts are different from those shown in the USDA/USDI report. That report assumed that no restriction would be applied to private harvests and that, based on a TAMM analysis,²⁴ the reduced supply of public stumpage would increase stumpage prices and lead to increased harvests from private timberlands. According to the TAMM analysis, the increase is short-lived as private inventories cannot sustain the increased harvest. By 2000 the harvest reduction on private lands falls below the base level scenario.

²⁴The Timber Assessment Market Model - an economic model that considers the behavior of prices, consumption and production by ownership in different wood fiber producing regions.

Our private land impact estimates differ in that: (a) we assume that private timberland harvests would be subject to the same constraints as public timberland harvests; and (b) our analysis did not consider the price impacts resulting from supply restrictions.

4. Financial impacts on private land

Many private landowners responding to the survey pointed out that managing timber under longer rotations reduces the financial returns of timberland management substantially. Quantification of the financial impacts would require a much more detailed analysis and should be pursued if any regulation of private harvest to protect spotted owls is contemplated.

X. SUMMARY

Across the three states, the ISC Strategy would reduce potential public timber sale levels by 47% (2,570 MMbf long log) below the 1983-87 harvest. The reduction from the projected plan level is 33% (1,818 MMbf long log), as shown in Table 4.

The ISC Report is unclear as to what measures could be taken to mitigate the impacts of the ISC Strategy on timber harvest levels. Although the ISC recommends testing silvicultural prescriptions designed to create old-growth like timber stand conditions be tested outside of the HCAs for eventual use within the HCAs it does not address the issue more important in the short run which is the potential to reallocate land outside of the HCAs that is currently allocated to no-harvest or low intensity timber management to high intensity timber management.

If the full ISC Strategy were strictly applied to private land in the three states, private harvests would drop 51% (4,250 MMbf long log) from past harvest levels or 46% (3,583 MMbf long log) from the projected future harvests, as shown in Table 8.

Most of the private land impact in Oregon and Washington could be termed as a delay of harvest due to the 50-11-40 rule. The impact in California stems from CDF's "no take" interim management guidelines.

Appendix A

Questionnaire sent to each USFS forest and the BLM state offices.

Appendix A

The following request for information was sent to each USFS forest included in the ISC Report and to the BLM state office.

Without exception, the USFS forests and the USFS regional offices were unable to provide any of the information describing the HCAs. The two regions were able to provide total acres and some information about the existing sale contracts within the HCAs.

The Oregon BLM State Office provided a detailed age class distribution and some information about their assumptions concerning the land allocations of HCA acres in the current management plans.

TIMBER DATA COMPANY

66 Club Road, # 160 • P.O. Box 10065 • Eugene, Oregon 97440
Telephone (503) 485-8239 • Fax (503) 485-8310

April 25, 1990

DESCHUTES NATIONAL FOREST

Norman Arseneault
Forest Supervisor
1645 Highway 20 E
Bend OR 97701

SAMPLE

Dear Mr Arseneault:

The American Forest Resource Alliance and the Northwest Forest Resource Association have asked Timber Data Company to review the timber output impacts associated with the recently released Conservation Strategy for the Northern Spotted Owl.

My primary objectives in this review are to determine: (1) how the timber output impact estimates were derived; and (2) whether these estimates account for all of the probable impacts.

I understand the timber output impact estimates themselves have not yet been released. My intent at this point, therefore, is to gather background information about the Conservation Strategy and how it fits into the forest plan alternative that best represents the intended management of the Forest.

The attached questionnaire was designed under the assumption that your staff has already spent some time analyzing the HCAs described in the report. If the data is not available, please fill in as much information as you have.

I realize responding to this request will take valuable staff time from other projects important to the Forest. I am sure you will agree, however, that the discussion of the Conservation Strategy should be based on the best available information. It is toward this end that I ask for your cooperation in this matter. I would like to have the available information by Thursday, May 3. Our fax number is 503-485-8310.

Within the next few days, I will follow up with the Planning Staff officer. At that time, I will try to schedule a visit with your staff at a mutually agreeable time.

Thank you for your help in this matter.

Sincerely yours,

TIMBER DATA COMPANY



Mark Rasmussen

1. Table 1 – HCA acres by timber type and age class

The following table characterizes each HCA by species group and age class. Please customize the the table to use the species groups and age classes that conform to the forest planning stratification.

If species/age class information is not yet available, please show the breakdown between tentatively suitable and unsuitable land.

HCAs	Tentatively Suitable Timberland								Tentatively Unsuitable Timberland	Non-timber land	Private Land	Total
	Doug Fir				Hem-Fir							
	S&S	YG	Mat	OG	S&S	YG	Mat	OG				
Cat 1												
HCA#												
HCA#												
.												
.												
Cat 2												
HCA#												
HCA#												
.												
.												
Cat 3												
HCA#												
HCA#												
.												
Cat 4												
HCA#												
.												
Forest Matrix												
TOTAL												

2. Table 2 – Land allocations for the HCAs

This table identifies how the HCAs are allocated in the NFMA forest plan alternative that best represents the intended management of the Forest. This may be either: (1) the preferred alternative from the Draft Forest Plan; (2) the most current version of the preferred alternative prior to publication of the Final; or (3) the Final Forest Plan. Please customize the table to use the allocations specific to your Plan.

If the detailed land allocations for each HCA are not yet available, please show the breakdown between suitable and unsuitable timberland.

Allocation based on Alternative _____

HCAs	Harvest Allocations				No-Harvest Allocations					Private Land	Total
	GenFor	Visual	Wild	Etc.	Wild.	Recreation	Riparian	Unsuit	Etc.		
Cat 1											
HCA#											
HCA#											
.											
.											
Cat 2											
HCA#											
HCA#											
.											
.											
Cat 3											
HCA#											
HCA#											
.											
Cat 4											
HCA#											
.											
Forest Matrix											
TOTAL											

How are overlaps accounted for in this table?

Please call: Mark Rasmussen, Timber Data Company, 803-485-6239 with questions.

3. Table 3 – Uncut timber sale volumes in the HCAs

Show the uncut timber sale volume in each HCA. The sale categories follow the classification on page 346 of the report. Net sawtimber volume is preferred. If net volumes are unavailable, use the gross and specify an average gross to net conversion.

Volumes as of _____

HCAs	FY 90 Sales		Pre-FY 90 Sales Under Contract		Total
	Sold, not Awarded	Planned, Not Sold	Within 0.5 mi	Not Within 0.5 mi	
Cat 1					
HCA#					
HCA#					
.					
.					
Cat 2					
HCA#					
HCA#					
.					
.					
Cat 3					
HCA#					
HCA#					
.					
Cat 4					
HCA#					
.					
Forest Matrix					
TOTAL					

Please call: Mark Rasmussen, Timber Data Company, 803-495-6239 with questions.

4. Table 4 - Unmapped HCAs

The maps included with the Conservation Strategy show only the Category 1 and Category 2 HCAs. According to the report, Category 3 and Category 4 HCAs will be established around "known and future pairs" of owls outside of the HCAs.

Please fill in the following table for HCAs required by the Conservation Strategy that were not delineated on the maps provided to the Regional Office. Pages 344-345 of the report describe the guidelines for delineating the non-mapped HCAs.

	Category 3	Category 4
Known Owl Pairs outside of "mapped" HCAs		
Total habitat acres		
Tentatively suitable for timber production		
Suitable for timber under preferred alt.		
Future owl pairs outside of "mapped" HCAs		
Total habitat acres		
Tentatively suitable for timber production		
Suitable for timber under preferred alt.		

Please call: Mark Rasmussen, Timber Data Company, 503-485-6239 with questions.

5. Table 5 - Dispersion requirements of the 50-11-40 rule

The Conservation Strategy includes a harvest dispersion requirement on lands outside of the HCAs:

"For every quarter township, timber harvest shall be permitted only when 50% of the forest landscape consists of forest stands with a mean DBH of 11 inches and a canopy closure of 40% (50-11-40 rule)."

Page 346 of the report provides the details for applying the 50-11-40 rule. Using the species groups and management intensities from your Plan, please fill in the following table:

	Age at		Acres Allocated
	11" DBH	40% Crown Closure	
Doug Fir			
Not Regen			
Plant			
Plant, PCT, CT			
Plant CT			
Plant, Fast, CT			
Ham-Fir			
Not Regen			
Plant			
Etc			

What is the average harvest age for regenerated stands under you current plan?

Is the 50-11-40 rule more or less constraining than the dispersion constraints included in your forest plan? If more, how much more?

Please call: Mark Rasmussen, Timber Data Company, 803-485-6239 with questions.

7. The Conservation Strategy would restrict road building in the HCAs (page 347). If no additional road construction were allowed in the HCAs, would lands that could otherwise be allocated to timber production become inaccessible? If so, please indicate the number of acres of tentatively suitable and suitable timberland that would be affected.
8. If the HCAs were established, how many acres of tentatively suitable and suitable timber land could come back into the timber base, given the land allocation of your Plan?
9. Please provide maps showing: (1) the existing SOHA network; and (2) activity centers for known and future pairs of owls.

Please call: Mark Rasmussen, Timber Data Company, 503-485-6239 with questions.

Appendix B

Questionnaire sent to private timberland owners

Appendix B

The following questionnaire was sent to owners of industrial forest land in Oregon. Since this was a confidential survey, the responses have been removed.

A similar questionnaire was sent to industrial forest landowners in Washington.

1. PRIVATE LAND WITHIN THE HCAs








The Thomas report prohibits federal timber harvest within the HCAs (see pages 346-347 of the report). As a worst-scenario, assume that private lands within the HCAs must be managed like federal lands.

For your land located within mapped HCAs, compare your current harvest plans to the harvest that would result by strictly following the limitations of the Strategy.

Please convert to MMbf and use the specified time periods if at all possible.

Acres of Timberland Located Within Mapped HCAs 

Change in Average Annual Harvest

1990-1996	
1996-2000	
2001-2010	
2011-2020	
2021-2030	
2031-2040	
Long Run Sustained Yield	

Spotted Owl Private Lands Harvest Impact Survey (Cont.)

2. PRIVATE LANDS OUTSIDE OF THE HCAs

The Thomas report could affect the timing of harvest on lands outside of the HCAs. The 50-11-40 rule states:

"For every quarter township, timber harvest shall be permitted only when 50% of the forest landscape consists of forest stands with a mean DBH of 11 inches and a canopy closure of 40%; all land-use allocations on forest land and all ownerships within the quarter township contribute to meeting this rule.

"Where the quarter township contains multiple ownerships, the percentage is computed separately for each owner based on the amount of ownership. For example, if owner A has 2880 acres in the quarter township, it would have a 1440 acre quota under the 50-11-40 rule before harvest would be permitted. If owners B and C each had 1440 acres, their quota under the rule would be 720 acres of forest stands, each with a mean DBH of 11 inches and a 40% canopy closure." (Page 348).

For timberland located outside of the HCAs, please indicate how the 50-11-40 rule would impact harvest plans. Again, please convert to MMbf and use the specified time periods, if possible.

Acres of Timberland Outside of the Mapped HCAs

<u>Change in Annual Average Harvest</u>	
1990-1996	<u> </u>
1996-2000	<u> </u>
2001-2010	<u> </u>
2011-2020	<u> </u>
2021-2030	<u> </u>
2031-2040	<u> </u>
Long Run Sustained Yield	<u> </u>

5/10/90

STATEMENT FOR THE RECORD

OF

MARK REY

EXECUTIVE DIRECTOR

AMERICAN FOREST RESOURCE ALLIANCE

BEFORE THE

SUBCOMMITTEE ON FORESTS, FAMILY FARMS, AND ENERGY

OF THE HOUSE AGRICULTURE COMMITTEE

OF THE

UNITED STATES HOUSE OF REPRESENTATIVES

JULY 26, 1990

I. Introduction

Good morning. My name is Mark Ray. I am the Executive Director of the American Forest Resource Alliance here in Washington D.C. The Alliance is a coalition of companies, organizations, community action groups and individuals dedicated to the wise use and renewal of America's forests. I appreciate the opportunity to testify before the Subcommittee today.

Many of our members are dependent upon the National Forests, other public lands, and private lands in the Pacific Northwest and northern California for all or most of their raw material supply. Therefore, the Fish and Wildlife Service's June 22 listing of the Northern Spotted Owl as a threatened species under the Endangered Species Act and any subsequent regulatory and recovery activities will have a substantial impact on many of the Alliance's members. Similarly, proposals such as H.R. 5295 (the Ancient Forest Act of 1990), H.R. 4492 (the Ancient Forest Protection Act of 1990), H.R. 4909 (the Community Stability Act of 1990), and H.R. 5116 (the Spotted Owl Alternatives Act of 1990), will have significant impacts on our members as well.

Today I will offer the views of the Alliance and the forest industry on these proposals. I will spend most of my time on H.R. 5295 as it is both the most recent and most comprehensive proposal of the four. However, I will also review each of the

other bills and provide the forest industry's views on each.

Appearing with me today is Dr. Wilbur Maki, a professor of Regional Economics at the University of Minnesota in St. Paul. At our request -- and as a supplement to a larger study effort on the social and economic effects of the listing of the Northern Spotted Owl as a threatened species -- Dr. Maki and Dr. John Beuter with the Mason, Bruce and Girard consulting firm in Portland, Oregon have prepared an analysis of the social and economic impacts that would flow from the implementation of H.R. 5295 or H.R. 4492. I will submit both this and the larger analysis of the spotted owl listing, for the record. I will refer to Dr. Maki's work in my remarks on H.R. 5295 and H.R. 4492.

Before commenting on these bills, however, I would like to briefly digress and comment on the original base study. This background is important because it sets the basis for the supplemental study on the social and economic impacts of H.R. 5295 and H.R. 4492. In chartering the study industry felt strongly that there was a compelling need to understand the social and economic impacts that would likely result from implementation of measures protecting the Northern Spotted Owl, or for that matter old growth forests.

Consequently, in mid-April, soon after the Northern Spotted Owl

Interagency Scientific Committee issued its report, and in anticipation of the U.S. Fish and Wildlife Service's listing decision, the Alliance contracted with Dr. John Beuter of the Mason, Bruce and Girard consulting firm in Portland, Oregon to conduct a comprehensive analysis of the potential social and economic impacts that would likely result. Under the terms of the contract, Dr. Beuter had complete academic freedom to choose his own study team to conduct this evaluation. As a former professor of forest economics at Oregon State University, Dr. Beuter is well-known within the academic community.

Subsequently, Dr. Beuter selected Dr. Keith Gillespie of the University of California at Berkeley, Dr. Robert G. Lee of the University of Washington, Dr. Paul Polzin of the University of Montana, as well as Dr. Wilbur Maki and Mr. Doug Olson of the University of Minnesota to comprise the multi-university team to conduct the analysis. Dr. Beuter also retained Mr. Mark Rasmussen of Timber Data Company in Eugene, Oregon to: (1) field-check the federal agencies' estimates of the harvest level reductions that would occur from implementation of the Interagency Scientific Committee Report; and (2) conduct surveys of private land owners in the three states to assess the impact of the Northern Spotted Owl listing under different regulatory scenarios.

The Beuter study team's findings were released in two stages. On

June 19, Mr. Rasmussen and Dr. Beuter published a review of the public and private land harvest reductions anticipated as a consequence of implementation of the Interagency Scientific Committee Report. With respect to public lands, the study team found that the Forest Service had underestimated, while the Bureau of Land Management had actually overestimated, the impact of application of the Interagency Scientific Committee Report to their respective lands.

The study team also asked private landowners in Oregon and Washington to (as a hypothesis) estimate the effects of application of the Interagency Scientific Committee's recommendations on private lands through Fish and Wildlife Service or citizen suit enforcement of Section 9 of the Endangered Species Act. In California, the study team used interim guidelines developed as a consequence of the listing decision by the California Department of Forestry and Fire Protection for timber harvesting permits on private lands. The draft guidelines have now been finalized with minor changes. Dr. Beuter's and Mr. Rasmussen's report concluded that the region-wide timber harvest projected on all land ownerships for the 1990's would fall from over 15 billion board feet to just under 8 million board feet of volume.

On July 9, Dr. Beuter and the balance of the study team travelled to Washington, D.C. to release their report and background

studies of the social and economic impacts caused by harvest reductions of this magnitude. House and Senate staff and agency representatives were briefed by the study team.

As the only comprehensive social and economic impact analysis associated with the effort to protect the spotted owl, the document provides extremely useful information, both about owl protection alternatives as envisioned in H.R. 5116, as well as old growth preservation measures. The region comprised of western Washington, western Oregon, and northern California could suffer the loss of more than 102,000 direct and indirect jobs if the protection afforded the owl under the Endangered Species Act is premised on the Interagency Scientific Committee's Report. It must be emphasized that this unemployment shock will not have been the consequence of market forces, but a function of direct and knowing government decisions. These job losses will come on top of an anticipated loss of another 45,000 jobs due to federal harvest reductions associated with other environmental regulations -- including spotted owl protection measures -- imposed through the Forest Service's planning process.

- II. The Forest Industry Must Reluctantly Oppose H.R. 5295 as an Unwarranted and Unjustified Set-aside of Additional Productive Forest Lands, upon which the Economy of the Pacific Northwest and the Nation Depend for Sustained forest Management.

H.R. 5295 would establish a "Pacific Northwest Ancient Forest Reserve System," (the "Reserve") containing over 6.3 million acres of land set-aside from forest management purposes. This constitutes the single, largest land withdrawal bill ever contemplated for the lower 48 United States. In size it rivals the 1980 Alaska National Interest Lands Conservation Act, but in social and economic impact it would easily surpass the 1980 Act by several orders of magnitude.

As Dr. Maki's study indicates, H.R. 5295 would reduce timber harvests on federal lands on an interim basis significantly. This would result in the loss of 43,569 direct and indirect jobs on top of the 45,000 jobs the forest plans will already cost -- an impact slightly higher than that associated with the implementation of the Interagency Scientific Committee Report on public lands. We expect the private land impacts associated with the listing of the owl to occur without regard to passage of H.R. 5295. The impacts of passage of H.R. 4492 are substantially higher as Dr. Maki's report indicates.

There are some good ideas embodied in H.R. 5295. However, this ambitious land withdrawal proposal starts from such a loose and undefined base of findings, purposes, facts, and definitions, that it cannot even be considered a good starting point for discussion about either alternatives and protect the Northern

Spotted Owl, or alternate management schemes for old growth forests. Below, I will review some of the major deficiencies in the way the bill is drafted.

A. Several of the Findings, Statements of Purpose and Definitions Incorporated in H.R. 5295 Are at Odds with Existing Knowledge and Research About the Forests of the Pacific Northwest.

The "Findings", "Statements of Purpose," and "Definitions" provided in H.R. 5295 are spun together to attempt to provide a compelling case for the withdrawal and preservation of a substantial amount of otherwise productive forest land. However, this material found in Sections 2,3, and 4 of the bill is framed in a manner which does not comport with what we know about: (1) the forests of the Pacific Northwest; (2) the economy under which the region operates; or (3) basic principles of economic theory and market forces.

For example, Finding 5 states that "some timber dependent rural communities in the Pacific Northwest need economic assistance to become less timber dependent." This finding ignores a large body of economic and social research that suggests that, given the extensive timber resource base surrounding these communities, and the variables that affect the location of new industries, it is improbable that rural communities surrounded by forests and far

from other areas of economic activity can become less timber dependent by attracting other industries. Notwithstanding glib proposals commonly offered for legislating these "forest locked" communities out of their timber dependency, the simple facts are that this will not happen. Dr. Polsin's research, already submitted for the record elaborates on this point.

In short, these communities will become economic disaster areas as a consequence of the loss of their economic base. We will knowingly create "rural ghettos" in the Pacific Northwest. As part of our comprehensive study I have submitted for the record recent research conducted for the Alliance by Dr. Robert Lee, a sociologist at the University of Washington. Dr. Lee reviewed the sociological factors that come into play as these communities face stress by land withdrawals such as those proposed in H.R. 5295.

Dr. Lee concluded that "because of the potentially sudden and severe harvest reductions, the disruption of peoples lives could result in family violence, drug use, drunkenness, and even suicide." But Dr. Lee noted that social disorders are not the only consequence. Because these impacts will be felt in rural, timber dependent communities where logging has been a family tradition for generations, an entire way of life is threatened for people who are tied firmly to place and, therefore, least capable of adjusting to change. Dr. Lee distinguished these job

losses from those suffered in other industries by noting that these impacts will flow not from market forces but from federally imposed land use decisions.

Dr. Lee also observed disturbing symptoms of a rising urban/rural class conflict in the affected areas. Dr. Lee noted that this conflict will be exacerbated by the abandonment of community-based national forest plans in favor of a national plan for the protection of old growth forests imposed from above, such as the one envisioned by H.R. 5295.

Finding 6 in the bill suggests that "old growth forest ecosystems help slow atmospheric change." This assertion flies in the face of existing research on atmospheric change and methods and rates of carbon fixation. Old growth forests are generally less efficient at processing and fixing carbon than rapidly growing forests. Moreover, preserving these forests would force the use of more wood substitutes. Manufacturing of alternative products involves the emission of carbon dioxides. Consequently, the preservation of old growth forests may, in fact, have a negative effect on atmospheric change and the globe's carbon balance.

Finding 7 notes that "the economy of the Pacific Northwest requires a stable and certain supply of timber, and timber products from old growth forests on public lands and natural forests currently play an important role in this economy." This

is quite true. However, the management schemes outlined in the bill show an incorrect or incomplete understanding of the importance of old growth forests on public lands in maintaining a reasonable raw material supply to support installed mill capacity until second growth forests in the region come into maturity after the turn of the century.

Simply stated, the importance of old growth forests on public lands is that they are the forest landbase necessary to bridge through the balance of this century until second growth lands become available. The findings of the bill suggest at least a vague recognition of the importance of the old growth forests suitable for timber production (i.e., those areas not already withdrawn from harvest). However, the severe harvests reductions called for later in the bill evidence a complete lack of understanding of the importance of maintaining present harvest levels through utilization of a portion of the old growth resource until second growth forests reach maturity.

The "Purposes" of the bill bear witness to a similarly incomplete understanding of the timber economics of the Pacific Northwest. For example, in Section 3(3) the bill indicates that one of its purposes is to "provide a stable supply of timber from federal lands to help maintain the economy of the Pacific Northwest." Compared alongside the later provisions of the bill that would destabilize the federal timber supply, Section 3(3) takes on the

appearance of "new speak."

Also, Section 3(4) indicates that one purpose of the bill is to "provide assistance in promoting economic diversification and stability to rural communities impacted by declining timber supply." However, the rather scattered and skeletal provisions of Section 11 of the bill as to how to accomplish this purpose are nothing more than empty promises unaccompanied by any authorized level of funding, let alone assurance of appropriated dollars. In light of the current federal budget deficient problem, it is inconceivable that such vague and unfocused proposals will be funded.

The "Definitions" are no more precise with respect to what the bill is designed to accomplish. For example, Section 4(5)(A) includes the Okanogan and Winema National Forests within the Douglas fir region even though these forests are primarily pine forests with a relatively small amount of Douglas fir acreage. By apparently imprecise drafting they have been included in the Douglas fir region, presumably to expand the range and reach of the set-aside provisions in H.R. 5295.

- B. The Designation of a "Pacific Northwest Ancient Forest Reserve System" Will Result in a Layering of Substantial Additional Set-asides on Top of Existing Preserves Already Embodied in Administrative or Congressional Designations.

Section 5 of H.R. 5295 proposes the creation of a 6.3 million acre Pacific Northwest Ancient Forest Reserve System, constituting the single, largest legislative set-aside in the history of congressional action in the lower 48 states. We look at the acreage figures embodied in this proposal with some irony since the Audubon Society and the Wilderness Society among others steadfastly maintain that there can certainly be no more than approximately 2 million acres of "ancient forests" still in existence. We are, thus, now proposing to preserve more ancient forests than there are left in the Pacific Northwest. H.R. 5295 represents the sort of "leaves and fishes" accomplishment that of which any Congress should be proud.

While Section 5(a) of the bill suggests that this system "may include lands already designated, withdrawn, or reserved for other purposes," it does not allow any of these lands set-aside for other purposes to be added back into the productive land base in substitution for the lands placed in the Reserve. To the contrary, Section 5(a) explicitly specifies that "designation pursuant to this subsection shall be in addition to, and not in lieu of such other prior designation, withdrawal, or reservation."

This is a fundamental flaw in the legislation. Even if there were no other problems with the bill it should be rejected for

this reason alone. This is because most of the other set-asides, withdrawals, or reservations to date have been done with the knowledge that there would still be enough productive forest land base left to make the broad transition to second growth at the beginning of the next century without upsetting the regional economy of the Pacific Northwest by eliminating installed mill capacity. Overlaying this massive, additional set-aside on top of those areas that have already been withdrawn will defeat this intent.

In affecting those withdrawals that have already been made there have been no economic trade-off analyses conducted to date since the assumption in each case (except, perhaps, the 1980 Alaska National Interest Lands Conservation Act) was that trade-off analyses were not necessary. It is inconceivable that Congress would approve an additional set-aside of this magnitude without demanding that previous withdrawals -- whether congressional or administrative -- be subjected to some sort of trade-off analyses. Such an analysis must determine whether these set-asides are still worthwhile in light of: (1) the newly-established priority given to old growth forest preservation; (2) and the severe economic disruptions that will occur if this priority is given unilateral and independent primacy.

Moreover, the language of Section 5(a) appears to restrict the authority that the agencies currently have to review and revise

existing administrative land designations. For example, on many national forests the Forest Service has set-aside land as "tentatively suitable" for timber production, and not included as it part of the suitable timber land base primarily for economic reasons. The national forest planning process allows a reconsideration (sometimes in light of market conditions) of these acres to see whether they should be added back to the land base during plan implementation.

However, under the terms of Section 5(a), upon designation of the Ancient Forest Reserve System, any subsequent addition of land back into the suitable timber land base would be precluded. Therefore, Section 5(a) creates a new statutory "lock-up" of all the administrative designations that the Forest Service has made to date notwithstanding the Agency's intent to revisit some of these decisions as conditions change in the future. This may involve setting aside substantially more than the 6.3 million acres envisioned by the Reserve.

It is also clear that the Ancient Forest Reserve System will be laid on top of the set-asides already recommended in the Interagency Scientific Committee Report. Section 5(c)(1) and Section 10(c)(1) make it impossible to revisit the Report's "Habitat Conservation Areas" and enter those areas as a substitute for ancient forests set-aside under the terms of this bill. Therefore, any set-asides flowing from this Act will be in

addition to, rather than instead of, the Habitat Conservation Areas recommended in the Interagency Scientific Committee Report.

This would be the case even without the specific provisions of the bill quoted above because the bill does nothing to alter the existing requirements of the Endangered Species Act (ESA). At this time the U.S. Fish and Wildlife Service plans to implement the Interagency Scientific Committee Report or something like it as a Recovery Plan under the terms of the ESA.

This became clear the week before last when the Fish and Wildlife Service released the final "Procedures Leading to Endangered Species Act Compliance for the Northern Spotted Owl." In this document, the Fish and Wildlife Service discusses the forthcoming Recovery Plan under Section 4 of the Endangered Species Act. The Service specifically references the Interagency Scientific Committee report. Here the Fish and Wildlife Service notes that it:

"believes that this report represents the most comprehensive and in-depth analysis of the data available. Further, the Service fully endorses the scientific credibility of the report and its applicability as a management approach for the Northern Spotted Owl. Given this, the Service is reviewing this document for its applicability as a recovery plan under the Endangered Species Act."

Later in this section, the Service explicitly suggests that:

"[i]n the interim, the Service strongly recommends that the agencies consider implementation of the conservation strategy as fully described by the [Interagency Scientific] Committee. Acceptance and implementation of the strategy, as recommended, would provide a sound basis for Section 7 consultation, help address the issue of take on Federal and private lands, and reduce concern over the economic impacts of recovery and species management."

It is, thus, clear that the Fish and Wildlife Service will either implement directly, or at a minimum, rely heavily on the Interagency Scientific Committee's recommended set-asides in developing a Recovery Plan for federal lands.

Beyond withdrawals related to the owl, Sections 5(c)(3) and (c)(7) clearly contemplate additional set-asides of a substantial nature in the creation of the Reserve. Section 5(c)(3) notes that "the Ancient Forests shall include a significant amount of low elevation old growth forest ecosystems." Preservationists steadfastly maintain that: (1) very little of such ecosystems are presently preserved; and (2) these areas are the ecologically significant old growth forests that are in desperats need of protection. This suggests that, not only will a significant acreage of such lands be preserved, but more obviously that the preservasionists are after something else as well.

Section 5(c)(7) confirms this suspicion by requiring that "the Ancient Forests shall include at least 50 percent of the old growth forests ecosystems as found on the date of enactment of

this Act." In order to achieve a Reserve of 6.3 million acres, the Act must by necessity contemplate the use of the broadest definition of old growth presently available -- the one which environmentalists strongly oppose in the existing forest plans. This definition indicates that there are 6.2 million acres of "old growth" on national forest lands. Of this, 3.2 million are already protected by some other designation involving congressional approval. Under the terms of Section 5(c)(7), the remaining 3 million areas recommended for utilization in the forest plans will have to be halved. A minimum of 1.5 million of these acres would have to be set-aside in the Reserve.

In this light, the notion in Section 5(c)(9) that "the Secretaries shall consider [in establishing the Reserve] lands that minimize the impact on Federal timber supply, but only if consistent with the purposes of Ancient Forests and the other criteria of this subsection" is an empty set. By the time the Secretaries get done adding the new withdrawals required by the terms of Section 5 to what has already been set-aside, there will be nothing left to minimize impacts on timber dependent communities. The Region's national forest timber sale program will fall below the critical level necessary to maintain a reasonable timber base and comparable mill capacity.

The Act also eliminates any management flexibility in modifying the boundaries of the Reserve. Section 5(d)(4) requires that any

revisions "shall be submitted to the Committees on Interior and Insular Affairs and Agriculture of the House of Representatives and the Committees on Energy and Natural Resources and Agriculture of the Senate at least 120 days before implementation". This requirement is imposed without regard to how the Committees would dispose of such recommendations, or what the Secretaries are to do if the Committees object, but do not legislate an alternative course of action. One must assume that the purpose of this provision is to intimidate the Secretaries from making any revisions, and impose a chilling effect on any management flexibility once the Reserve is created.

A similar problem occurs with the Ancient Forest Scientific Committee's (the "Committee") review of all proposals associated with management activities within the Reserve. Under the terms of Section 6(3), the Committee is to "review all such proposals and make its recommendations to the appropriate Secretary prior to implementation." This requirement is imposed without regard to whether: (1) the Committee will have any particular expertise related to a specific proposal; or (2) the Committee, as constituted, can review all of the various and sundry proposals for management within the Reserve. Our suspicion is that this requirement will produce a bottleneck impeding any management activity for whatever purpose within the Reserve. The Committee will be encumbered not only by significant or controversial proposals, but by routine, day-to-day management proposals

associated with the Agencies' stewardship of the public land resource to which Congress has heretofore entrusted them.

C. The Treatment of Old Growth Forest Ecosystems Outside of the Reserve Does Not Comport with the Principles of New Forestry.

Section 7 of the bill tries to establish a "New Forestry Program" for those areas of old growth forest ecosystems located outside of the Reserve. Aside from the very real question of whether there will be any old growth forests located outside of the Reserve, the treatment of "new forestry" in Section 7 contravenes the basic tenets of new forestry.

New forestry is offered by its proponents as an alternative to our historical pattern of legislating single-use set-asides of our public forest resources. It is designed to manage forest resources for some amount of wood production in a fashion compatible with other values. The new forest management "techniques" outlined in Section 7 demonstrate this. Indeed, they are techniques that would achieve many of the purposes identified in the bill that are otherwise associated with the Reserve.

Consequently, to try to establish a New Forestry Program outside of the Reserve is: (1) redundant, given the number of values

already protected in the Reserve; (2) inconsistent with the theory of new forestry which emphasizes resource compatibility in the choice of forest management techniques; and (3) punitive to the communities of the Pacific Northwest since it will reduce the productive timber base further following on the decision to look-up more land. If a New Forestry Program is to have any validity, it must be practiced within the Reserve.

Additionally, we note that Section 8 establishes an ambitious, new "Ancient Forestry Research Program" which would take effect on the same date that new forestry would be instituted under the deadline included in the bill. Since the purpose of the research program is, in part, to determine "the socioeconomic impacts of these [new forestry] practices" (Section 8(b)(3)), we wonder why the New Forestry Program is being implemented even prior to the receipt of this kind of important information. It seems logical to us that new forestry should not be implemented on the newly-limited productive forest land base, before the research program provides us with this important information.

- D. The Time-Line and the Provisions Associated with the Establishment and Operation of the Ancient Forest Scientific Committee will Confound any Real Public Involvement in the Establishment of the Ancient Forest Reserve System.

The Ancient Forest Scientific Committee chartered by Section 9 of

the bill is a committee of 10 biological scientists and a single social scientist -- an economist. Only one of the biological scientists is required to have any training in applied management of biological systems. It is, therefore, not unreasonable to speculate that at least 8 of the Committee members may approach their task from a preservationist (i.e., non-management) perspective.

Notably absent from the Committee is any involvement on the part of social scientists with any expertise in the sociological impacts associated with the kind of broad-scale economic changes and social engineering proposals that the bill envisions. Additionally absent are any representatives of the public or elected officials who will have to either live under, or attempt to implement, the ruling that this group of biological scientists would make. It is arguably appropriate to use a small team of biological scientists to review and render conclusions on solely biological issues. However, it is clearly not appropriate to have this small and tightly-knit, homogeneous group sit as a primary policy making body to dictate what happens to the Pacific Northwest.

Moreover, the time-lines provided for the discharge of the Committee's responsibilities assure that: (1) there will be considerable confusion over the establishment of the Ancient Forest Reserve; and (2) the public will be excluded from the most

important decision-making processes. For example, the Committee is to define "old growth forest ecosystems" within one year of the date of enactment. In addition to being bound by the need to reach the acreage figures predetermined by Congress to be necessary for the Reserve, the agencies will be disadvantaged by not having the Committee's definition until the inventory effort for the Reserve is well underway, and perhaps more than a year in progress.

The provisions of Sections 9(c) and 9(d) require the Committee to review and approve the agencies' recommendations for areas to be included within the Reserve. However, the time provided to the Committee for this purpose, combined with the time the agencies will need, makes it clear that the affected public will have at best three or four months to review the set-asides envisioned for the Reserve. This seems to us to be both inequitable and inadequate for the single, most important federal land use decision in the history of the republic.

E. The Provisions of H.R. 5295 Involve the Most Significant Reductions Ever Seriously Envisioned in Federal Timber Sale Levels in the Pacific Northwest.

Section 10 of the bill is a "good news/bad news/worse news" measure. The good news is that it establishes a minimum interim timber sale level. The bad news is that it reduces present harvest levels by over 50 percent. The worse news is that the

bill's drafters never really intend that the minimum interim timber sale level will be met in any event.

This section of the bill is cleverly written to suggest the existence of a minimum timber harvest level for both Forest Service and BLM lands in the affected region. However, under the terms of the bill and the plain language of this section, it is highly doubtful that this minimum timber sale level will ever be reached. This is because the bill notes that this minimum level can be achieved only "to the extent consistent with this Act and other applicable law."

Once the requirements of other statutes and the provisions of this bill are put against the timber management program, timber production will reduce well below the interim level indicated in this section. On a longer term basis, timber production will virtually cease.

Specifically, the Endangered Species Act restrictions associated with the Interagency Scientific Committee Report already set a timber sale program level that will be only slightly higher than the minimum program suggested in Section 10. To the extent that other, yet untriggered statutory restrictions come into play or the bill itself imposes additional restrictions, harvest levels will fall further. In fact, the bill assures such an outcome by its own terms in several ways.

First, Section 10(c)(1)(B) establishes a standard beyond that included in the Interagency Scientific Committee Report for Habitat Conservation Area boundary adjustments to accommodate existing timber sales. The bill requires that "an equivalent amount of acreage with an equivalent amount of old growth forest ecosystems is added" to any Habitat Conservation Area that is diminished by an existing sale. The Interagency Scientific Committee Report has no such requirement.

Second, Section 10(c)(2) requires that all old growth forest lands which the Forest Service has administratively restricted from harvest through the land and resource management plans be frozen, and not available for timber production. The Forest Service's plan to implement the Interagency Scientific Committee Report explicitly envisions some trade-offs from areas set-aside for other purposes whose entry and harvest would not disadvantage the Northern Spotted Owl. This section of the bill forecloses this option, including the release of the important Spotted Owl Habitat Areas (SOHA's) that the Interagency Scientific Committee suggests could be harvested.

Finally, Section 10(c)(5) of the bill contains a "wish list" of areas that the preservationists want to insure are not used as the means of minimizing timber harvest impacts associated with the needs of the Northern Spotted Owl. The Forest Service

indicates that approximately 20 million board feet of timber volume are programed for sale in the seven areas affected during FY 1991 - 1993. Therefore, there is little possibility under the current timber sale planning process that the Agency could meet even the minimum timber sale level indicated in the bill.

In conclusion, the minimal interim timber sale levels provided in the bill cannot be met under its own terms or with the application of other regulatory restrictions. Beyond that, it is highly probable that the timber sale program level will drop even more drastically as the bill is fully implemented three years hence. Dr. Maki's report results suggest that the total reductions associated with the interim implementation of the bill and the forest plans will cost the region 88,569 direct and indirect jobs, with the attendant social and economic impacts outlined in his report.

F. The Provisions for Economic and Community Assistance to Help Address the Impacts that this Bill Will Create are Little More than Hollow Promises and Cliches.

Section 11 deals with the need to salve the sponsors' consciences about the social and economic impacts that will occur upon passage. Unfortunately, the provisions as drafted will do little more than this.

Specifically, the Section 11(a) and (b) proposals to increase the county payment share will provide a temporary infusion of revenue to counties. It will not provide any real long-term possibility for making up the lost revenues that will occur as a consequence of the harvest reductions on lands that are still owned, tax-free, by the federal government and still never be part of the local tax base. The bill merely provides the counties with a short-term bonus to distract them from the prospect that the management investments in these lands that they and the federal government made together are being eliminated.

Additionally, the increased county share payments will in all likelihood, increase the number of below cost timber sales that will occur in the region as a consequence of bill's passage. The Wilderness Society in particular has resolutely maintained that the payments to counties are a "cost" of the timber sale program. By doubling that cost for the timber sale program in the Pacific Northwest we are turning the most profitable region in the national forest system into one where there will be an increasing number of below cost timber sales. Looking beyond the region, as we either administratively, legislatively, or judicially mandate significant harvest reductions on national forests in other regions, why should those counties not benefit from the largess provided by this new formula. This will reduce the profitability of the program even further.

The Forest Productivity Initiatives in Section 11(c) of the bill are a mixture of ineffectual and unnecessary proposals that attempt to offset the negative economic impacts that the bill will generate. For example, in the long run, the initiatives affecting private lands may bear some fruit in terms of increased harvest levels. However, it is indisputable that they will not have any appreciable effect during the next decade. Consequently, they will not offset the social and economic disruption that will occur.

The provision of federal assistance to help improve sawmill and plywood mill efficiencies is laughable its face. The raw material recovery capabilities and mill efficiencies in the Pacific Northwest are already among the best in the world. During the late 1970's and early 1980's the industry invested heavily in technological and raw material recovery improvements as a consequence of the then-increasing restrictions on harvesting on federal lands, as well as the market contractions of the early 1980's. The industry increased productivity at a rate significantly higher than the national average for all of U.S. industry as a whole. It is highly dubious that the federal government will be able to add anything to this record.

Similarly, the National Community Assistance Task Force created in Section 11(d) of the bill is a hollow exercise in committee

formation. The Task Force has limited direction in the statute and no money with which to operate. There is nothing else in the bill which suggests the opportunity for an active job creation program.

It is particularly ironic that the bill contains no funding authorization, let alone the assurance of appropriated dollars for the work of the Task Force. And, by contrast to the legislative direction that went into the make-up of the Ancient Forest Scientific Committee, there is no similar such effort made regarding this Task Force. This is a disheartening reflection on the value of people in this equation. Moreover, in light of the lack of authorization it is possible that the Task Force will never be convened given funding limitations encumbering all federal programs. Why convene a Task Force to deliberate over how to spend money the federal government does not have?

The federal forest land improvement program created by Section 11 (e) of the bill is similarly devoid of any specifics or any funding. Reading the provisions of the bill we are led to believe there is an unlimited amount of money available for the listed purposes, and an unlimited number of people available to carry out this work. Nothing in the bill suggests that the sponsors have done any analysis of the workability of this dual proposition.

G. The Nationwide Inventory Provided in Section 13(c) is Devoid of Definition and Purpose.

So that the rest of the country does not feel slighted by not being visited with the devastation that this bill would create in the Pacific Northwest, Section 13(c) calls for a "nationwide inventory of old growth forest ecosystems on national forests and public lands." This inventory will be completed and submitted to Congress no later than two years after the date of the enactment. Because the bill provides no definitional guidance as to what constitutes an old growth forest outside of the Douglas fir region, we can anticipate the controversy in the Pacific Northwest (now approaching three years in duration) over such a definition will now spread to the balance of the country. This conflict will undoubtedly occur notwithstanding the work already done in the completed national forest plans to define forest types. In Minnesota, for example, the issue has moved onto state forest lands where preservationists are pressing for a definition of "old growth" that includes any trees larger than 12 inches in diameter.

This provision thus reopens a controversy for the balance of the country that was heretofore resolved by the completion of the national forest planning process. This should legitimately enrage citizens who devoted their time and effort to the completion of the national forest plans elsewhere in the nation.

It is little more than a statement of congressional contempt for the national forest planning process and the more than 1 million people that have participated in this effort. This provision also casts aside the \$210 million investment in tax dollars to develop plans by pursuing a congressional whim on a high-profile issue. In sum, this section exhibits a high level of ignorance about the purposes and results of the forest planning process.

III. The American Forest Resource Alliance Supports the Provisions of H.R. 4909.

H.R. 4909, co-sponsored by Congressman Bob Smith and Congressman Denny Smith, would require that the Forest Service include an assessment of the impacts on local community stability associated with the development of, or revisions to, any plans for units of the national forest system.

The Forest Service has long maintained that it lacks any statutory authority to maintain the stability of communities that are dependent on the national forests, or to conduct the sort of analysis and management programs envisioned by this bill. Consequently, the bill is a necessary addition to the mix of laws and regulations governing national forest management. H.R. 4909 is strongly supported by the American Forest Resource Alliance and its members.

IV. The American Forest Resource Alliance Supports the Provisions of H.R. 5116.

H.R. 5116 introduced by Congressman Peter DeFazio and others, requires the Forest Service and the Bureau of Land Management to evaluate and develop alternatives to the land management scheme for the protection of the Northern Spotted Owl recommended by the Report of the Interagency Scientific Committee. As our comments on that report indicate, we believe that there are scientifically credible alternatives to the Draconian schemes outlined by the Interagency Scientific Committee. I will submit our comments on the Report for the record. The Alliance and the forest products industry support the bill introduced by Congressman DeFazio.

V. The American Forest Resource Alliance Strongly Opposes H.R. 4492.

A separate ancient forest protection measure was introduced earlier this year by Congressman James Jontz. This bill would create a "process" for developing an ancient forest reserve, and in the interim would halt timber harvesting on virtually every acre of public land (or, if you read the definition of "associated forest" in Section 3(2) of the bill precisely, both public and private land) in the Pacific Northwest and northern

California until the forest reserve is completed. The Section 2 "Findings" are highly disputable and read as if they were copied from an environmental groups direct mail, fund-raising letter.

Since H.R. 4492 would halt virtually all public lands timber harvesting in the region -- a proposition which no major environmental group has yet endorsed -- it should be no surprise that the projected economic impacts associated with passage are the most significant of any of the options currently before us. H.R. 4492 would cost 125,529 direct and indirect jobs without considering the impact of the listing of the spotted owl.

Nevertheless, the environmental community has engaged in a massive campaign to gain co-sponsors for the Jontz measure. Notwithstanding this fact, it is important to note that no co-sponsor from a congressional district with national forest ownership has deemed co-sponsorship a reasonable course of action. This is because the principles embodied in H.R. 4492 bill are so extreme that anyone with a passing familiarity with national forest management issues would find it difficult to co-sponsor such a measure.

VI. Conclusion

While our comments on H.R. 5295 are for the most part critical of

the way the bill was drafted, we offer these views with the full understanding that it is easier to criticize than create. We cannot support H.R. 5295 but we understand the value of old growth forest resources in their own right and believe that a reasonable amount of old growth has been preserved for the aesthetic needs of this and future generations.

We stand willing to work with the Subcommittee on other alternatives to achieve balanced management of the national forests and other public lands. We cannot, however, accurately portray H.R. 5295 as a measure which strikes such a balance.

I appreciate the opportunity to offer my views, and will be happy to respond to any questions.

(Attachment follows:)

**ECONOMIC AND SOCIAL IMPACTS OF PRESERVING
ANCIENT FORESTS IN THE PACIFIC NORTHWEST**

by Wilbur R. Maki, Ph.D.

My name is Wilbur Maki. I live in Edina, Minnesota. I am a professor of regional economics at the University of Minnesota and a long-time observer of the timber-based economies and their communities in the Pacific Northwest.

I have worked on regional economic studies for the U.S. Forest Service for nearly a quarter century, starting with a Pacific Northwest Timber Supply Study in 1966 and continuing with series of reports on the impacts of changes in timber-related industries on their regional economies in the U.S. and Canada. I have also studied the impacts of rapid change in basic industries on worker and community dislocations and as recently as last week I appeared before the Worker Dislocations Study Commission, appointed by Governor Rudy Perpich of Minnesota, to report on this subject. I have served, too, in state government as State Economist and Director of Economic Analysis in the Minnesota Department of Finance.

Dr. John Beuter, consulting forester with Mason, Bruce & Girard, Inc., Portland, Oregon, and a team of economists and social scientists, recently conducted an investigation on the social and economic impacts of the implementation of the Interagency Scientific Committee (ISC) recommendations for recovery of spotted owl habitats in the timber-dependent areas of Washington, Oregon and Northern California (Beuter 1990; Gillean 1990; Lee 1990; Olson 1990; Polzin 1990; Rasmussen 1990). I participated along with other university staff in this effort. Because of the overlapping geographical coverage, this authoritative analysis provides an excellent tool for assessing the potential impacts of bills such as HR.5295, introduced by Congressman Bruce Vento of Minnesota, that would establish an "Ancient Forest Reserve System" encompassing 6.3 million acres in the Douglas-fir region of California, Oregon and Washington, and HR.4492 introduced by Congressman James Jontz of Indiana that would achieve a similar purpose. In collaboration with Dr. Beuter, I identify six specific concerns to address at this time. They are:

1. The varying degrees of timber-dependency of individual communities in the Pacific Northwest.
2. The economic and social impacts of timberland withdrawal from commercial timber production on these communities.
3. The likely success of mitigating efforts in these communities to ease the adverse effects of reductions in commercial timber production.

4. The likely impacts of proposed industry subsidies in the Pacific Northwest on competing businesses in other areas.
5. The replacement of local with central planning and the emergence of a class struggle in which the victims become the enemies of the larger society.
6. The continuing growth of world demand for timber products and the role of managed public forests in reducing its adverse global environmental impacts.

To set the stage for this presentation I would like to call your attention to the following excerpt from the best seller, *Our Common Future*:

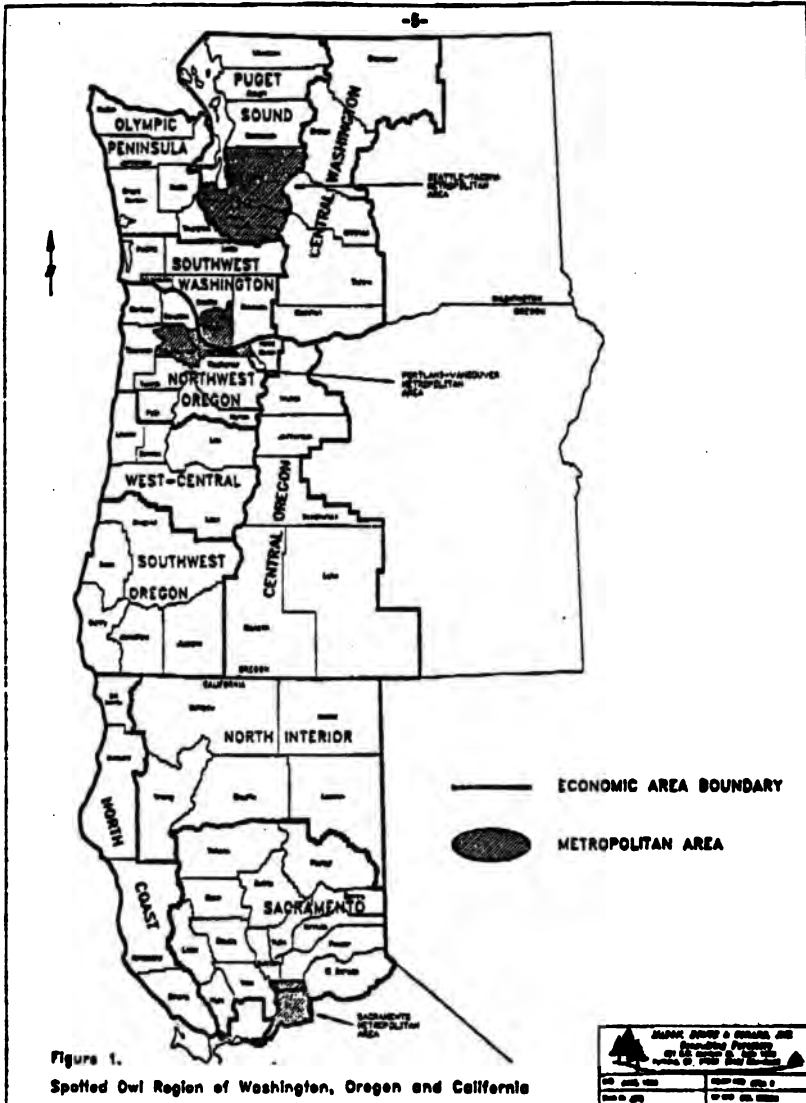
"Industry is on the leading edge of the interface between people and the environment. It is perhaps the main instrument of change that affects the environmental resource bases of development, both positively and negatively. Both industry and government, therefore, stand to benefit from working together more closely."

In total agreement with this observation is the underlying premise of this presentation and the concerns it addresses. Namely, industry and government must work together with science to conserve ancient forests and endangered species, and at the same time, manage our national forests with sustained yields for the support of stable communities.

I. Timber Dependency Varies Widely Among Areas

Using the University of Minnesota IMPLAN (IMPact Analysis for PLANning) System, it is possible to estimate the most timber-dependent and the least timber-dependent areas of the Pacific Northwest (see Figure 1, and also see Beuter 1990; Olson 1990). Timber-dependency is represented by the magnitude of the above-average levels of employment in wood products industries. It is measured also by the proportion of total commodity exports from each area accounted for by wood products. It approximates the contribution of the forest products industry to an area's basic economy.

For example, employment in primary wood products in Southwest Washington, accounts for 55 percent of the total above-average employment in the area while secondary wood products manufacturing accounts for four percent of the total. For individual counties, the timber-dependency index may be even higher, accounting for practically all of the basic economy of the county. In the Puget Sound Area, on the other hand, wood products manufacturing accounts for only nine percent of the total above-average employment.



Based on the timber-dependency indexes published in Table 1, it is clear that timber-dependency is reduced by proximity to a large metropolitan area, which serves an ancillary role in providing high order goods and services not available in rural areas. In the most heavily timber-dependent areas, the agriculture, forestry and fisheries industry group is a close second in above-average employment. This differentiation of economic activity, between more or less standardized commodity production and high order manufacturing and services makes rural and metropolitan areas inexorably interdependent regional economies with both areas benefiting from their particular specializations. Change in the rural areas inevitably affects the metropolitan core area of an economic region.

Conclusion:

- Sudden changes in wood products industry employment will have vastly different impacts on area economic well-being.
- Proximity to a metropolitan area is an important factor in accounting for reduced levels of timber-dependency.

II. Impacts of Ancient Forest Bills Greater Than Impacts of ISC Strategy

Our analysis of the impacts of the ISC strategy used three scenarios compared to a base period defined as the average for 1983-1987: (1) What would likely have happened during 1991-2000 without the ISC strategy; (2) What would have happened if the ISC strategy is implemented on public lands only; (3) What would happen if the ISC strategy is implemented on public and private lands. The base period and the three scenarios are directly applicable to assessing the effects of the Vento Bill (H.R. 5295) and the Jontz Bill (H.R. 4492).

Both of the Ancient Forest bills (HR.4492 and HR.5295) would impose greater restrictions on timber harvesting than the ISC strategy (see appendix 1-A). Interim management guidelines under H.R. 5295 would provide at least 2.65 billion board feet compared to 2.8 for the ISC strategy. Although the Jontz bill does not give specific acreage and volume restrictions, the wording implies a significantly greater reduction than either the ISC strategy or the Vento Bill--it is hard to visualize the Jontz bill providing more than one billion board feet of timber. The impacts described in our report would under-estimate the social and economic impacts of the Vento bill. The impacts of the Jontz bill, however, would be substantially greater than for the other scenarios.

Table 1. Economic dependency indexes for wood products and other selected industrial sectors by economic area and region, 1985.

Economic area/region	Wood Products		Other Mnfg	Ag, For. & Fish.	Serv- ices	Other	Total
	Primary	Secondary					
(Dependency indexes: estimated % of area's economic base)							
WASHINGTON							
Puget Sound	7	2	31	16	14	30	100.0
Olympic Peninsula	40	5	0	9	19	27	100.0
Southwest	35	4	9	13	9	10	100.0
Central	10	0	9	72	4	5	100.0
OREGON							
Northwest	23	3	10	44	8	12	100.0
West Central	45	6	2	21	13	13	100.0
Southwest	52	6	0	23	7	12	100.0
Central	28	18	0	18	9	27	100.0
CALIFORNIA							
North Coast	15	4	9	24	28	20	100.0
North Interior	17	5	0	17	23	38	100.0
Sacramento	2	3	6	44	21	24	100.0

Note 1: Primary wood products includes: SIC 2411 (logging), 2421 (sawmills and planing mills), 2435-6 (veneer & plywood), 26xx (pulp & paper). Secondary wood products includes remainder of SIC 24xx (other wood products), 2511-12, 2517, 2521, 2542 (wood furniture & fixtures).

Note 2: Dependency indexes in this table were determined exclusive of the government and household sectors. See Table A-2 in Olson (1990) indexes determined with all sectors included. Also, see Table A-1 in Olson (1990) for more sector detail regarding indexes in this table.

Note 3: Metropolitan areas are included in the economic areas as well as the regions in this table.

Source: Olson (1990).

Our earlier analysis shows that it is likely that 19,497 direct timber industry jobs, and 44,436 total jobs would have been lost throughout the three-state owl region during the 1990s even without the ISC strategy or the proposed bills (See, appendix table 2-A). This presumes the implementation of the Federal forest plans, which already planned for harvest reduction to accommodate spotted owls, and other wildlife and environmental concerns.

The economic impact of the ISC strategy on public lands only would account for an additional direct job loss of 17 1 thousand and additional total job loss of 40 thousand for the three-state owl region. For the Vento bill the loss of total jobs would be 43 thousand--slightly more than for the ISC strategy. In the case of the Jontz bill, however, the loss would be substantially greater--80 thousand jobs.

Provisions of the ISC strategy as well as both of the Ancient of Forest bills do not distinctly clarify the issue of whether protection of spotted owl habitat on private lands will be required. Indeed, the State of California has already included private lands in its interpretation of the scientific recommendations that it intends to protect privately owned habitat follow. Consequently, we investigated the economic impact of the ISC strategy implemented on both public and private lands.

In the case of the ISC, the combined public and private lands harvest reductions would result in an additional (above baseline) direct job loss of 44.3 thousand and an additional total job loss of more than 102 thousand. In the case of the Vento Bill, the additional loss would be 105 thousand, whereas the Jontz bill would reduce total jobs by 136 thousand.

Conclusion:

Estimates of the economic impact of the ISC strategy restricted to public lands would generate a loss of 40 thousand jobs. Additional job losses due to the application of spotted owl restrictions on private lands would total to 102 thousand over the 1991-2000 period.

* The Vento bill would reduce jobs by 43 thousand jobs if public lands only are protected and 105 thousand if the ISC strategy is applied to private lands are protected. By far the greater losses would be associated with the Jontz bill--80 thousand inclusive of public lands only and 136 thousand if private lands are protected.

• Likely job losses would lead to severe and continuing worker dislocations because of their concentration in highly timber-dependent communities of the Douglas-fir region.

III. Mitigating Proposals Lack Realism

Proposed mitigating efforts for reducing the adverse economic and social impacts of proposed or probable reductions in commercial timber cut in the Douglas-fir region may include:

1. Counseling of adversely affected families by trained social workers.
2. Retraining of dislocated workers for government-funded jobs.
3. Promotion of secondary wood products manufacturing in timber-dependent communities.
4. Promotion of tourism to provide replacement jobs for the dislocated workers.

Each of these remedies is based on the underlying premise that government intervention can correct any difficulty it may have created in the first place

Two of the reports prepared for our analysis of the ISC strategy addressed three of the four remedies (Lee 1990; Polzin 1990). Their findings are highly relevant, also, to the discussion of mitigating measures proposed in the Ancient Forest Act of 1990.

I refer, first, to the findings by Dr. Robert Lee, who addressed the role of counseling and retraining of dislocated workers. From one-on-one interviews and careful and critical reading of related reports, Dr. Lee concluded that both counseling and retraining have only limited promise of success in the adversely-impacted communities. Because of the continuing disparagement of the logger and the industry in which he works, social workers and retraining specialists are viewed with suspicion as agents of the unfriendly world outside these communities.

A first reading of the Ancient Forest Act of 1990 might remind one of the WPA and the CCC, which were remedial measures of the Great Depression. For a highly independent and spirited, but now dislocated, small business person, however, the idea of living off a government make-work project is incongruous to his or her mode of thinking and values. There is a strong, intrinsic sense of human worth and dignity among these people. They see themselves as "real people", much unlike the "urban yuppies" they associate with the outside world. Dr. Lee also observed in his testimony that any counseling and retraining proposals would have very little, if any, successes among the dislocated workers who

have already experienced much abuse from the outside, both printed and verbal.

Dr. Paul Polzin, regional economist from the University of Montana, addressed the role of secondary wood products manufacturing in the rehabilitation of timber-dependent communities. From his careful and thorough analysis of the location of secondary wood products manufacturing establishments in the US he concluded that they are, for the most part, located near major consumer markets and that the probability of their location in the highly timber-dependent communities in which they would be most needed is extremely small.

The role of recreation-related industry in the rehabilitation of timber-dependent communities is proposed now as another mitigating measure for dealing with the adverse impacts of commercial timber cut reductions. The lack of statistical representation of this industry (which is actually parts of many industries that are included in the standard industry classification system) causes some difficulty in the assessment of this proposal. Studies are available, however, that show outdoor recreation-related activity as being largely seasonal and supporting mostly low-paying and part-time jobs, while higher-paying jobs are held by temporary residents who reside elsewhere during the off-season.

Four-season highly-developed recreation, which is the only viable alternative to the loss of timber-related job, is limited in the Douglas-fir region by geography and climate. Moreover, development of large-scale year-around recreational facilities that could provide year-around jobs for local work force in the Douglas-fir region is already being vigorously opposed by environmental groups.

Finally, the track record of the federal government in living up to its promises of finding future employment for adversely-impacted timber-dependent communities is very poor, indeed. The north coast area of California, for example, experienced reductions in redwood timber cut that lead to much worker dislocation. In spite of Economic Development Administration efforts to establish new jobs in the area, it still suffers from high unemployment levels. Dr. Keith Gilles, forest economist from the University of California, Berkeley and member of the expert panel, has documented the exceptionally high unemployment rates--in some coastal counties in excess of 14 percent of the labor force.

Conclusion:

- The promise of new basic industry with year-around employment at comparable to current timber-products industry wages has very little foundation in reality.

- Counseling and retraining of dislocated workers is unlikely to succeed in overcoming long-standing cultural barriers and persona objections to moving out of established timber-dependent communities.

- Promotion of secondary wood products manufacturing and tourism to provide replacement jobs for dislocated workers--a viable alternative for metropolitan areas--runs counter to the location economics of secondary wood products manufacturing and the environmental restrictions imposed on four-season recreation development.

IV. Subsidized Industry is Unfair Competition

The extended industry impacts of federal government subsidizing of secondary wood products manufacturing raises serious question of fiscal responsibility and fairness. Existing evidence supports the alternative position, for example, that secondary wood products manufacturing is market-driven, with an early start and market proximity being the most important location determinants. To successfully counteract these critical business location determinants would undoubtedly require large federal subsidies. At a time when fiscal austerity is called for, the subsidy alternative appears extremely difficult to sustain.

If the federal subsidy route were followed, then the existing secondary wood products industry would have just cause to protest the unfair competitive advantage that the federal subsidy would grant the newly-formed businesses. Anderson Windows, a secondary wood products firm located Bayport, Minnesota, which enjoys the benefits of an early start, initial proximity to a large metropolitan market, and excellent access to national and world markets, would soon discover an erosion of its western market share because of the entry into its market of the new federal subsidized firms in the Douglas-fir region. Moreover its source of supply of partially assembled window frames from central Oregon would be jeopardized. Its difficulties would have nothing to do with the productivity of its workers or the effectiveness of its management; they would have everything to do with unfair competition and artificial rigging of the market economy at taxpayers' expense.

For Anderson Windows and other secondary wood products manufacturers, government action proposed in the Ancient Forest Act of 1990 represents double jeopardy. Obviously, subsidized competition would reduce the ability of these manufacturers to sell their products in the Pacific Northwest. But just as important, preservation of a major share of the remaining, commercially available old-growth timber would severely reduce

the supply of the softwood lumber and boards required to fabricate their product.

Proposed here is a set of public programs that address a problem created by another set of public programs. First, tax revenue income originating from "payments in lieu of taxes" is reduced or eliminated, then the federal government turns around and appropriates tax dollars to subsidize non-market related activities. Furthermore, some of the WPA-like recreation activities, if successful, would become competitive with already existing recreation activity in the private sector. As an example, the owner of a KOA campground could suffer economic loss from expansion of recreation vehicle facilities on public land as a government-funded program.

Conclusion:

- Use of government subsidies to overcome existing impediments to the development of new industry in distressed timber-dependent areas would be costly to its government sponsors and damaging to competing private sector activities elsewhere in the region and the nation.
- Subsidizing secondary wood products manufacturing in timber-dependent communities would, if successful, simply redistribute existing markets at the expense of established companies.

V. Emerging Class Struggle

Associated with the sudden economic changes are severe and profound social impacts on members of timber-dependent communities. The most sobering finding in our analysis of the ISC strategy concerns growing perceptions about the nature of the current conflict over national forest management. Dr. Robert Lee finds that this conflict, as characterized in the press and in public debate, is leading to the emergence of a new "enemy of society" --the logger and wood products worker.

Loggers in the Douglas-fir region are already being caricatured as enemies of society, labeled "tree killers" or worse. The logger, who until now has been viewed as the epitome of the free entrepreneurial spirit that built this country, has replaced the old lumber baron as a latter-day tree killer in editorial pages, cartoon books and teaching resource materials. The dislocated logger is placed in the unfamiliar role of a government employee in a newly resurrected WPA or CCC. Caricature of the logger as subhuman is a prelude to direct attacks on his personal worth and source of income. This characterization is a manifestation of the emerging class

struggle that Dr. Lee describes in his contributing paper to the Beuter report.

The primary wood products worker faces an uncertain future, even with the most effective personal and job counseling. High unemployment and lack of new job prospects soon lead to increasing numbers of discouraged workers. These individuals are reluctant to leave the area because of immobile personal assets, familial ties, and long-standing abhorrence of living in a metropolitan area. Soon they will become part of the growing underclass in the rural areas of the Douglas-fir region.

With unemployment reaching levels not seen since the Great Depression in some communities, the social impacts of worker dislocation would virtually destroy whatever adaptive capacities these communities may have for effectively coping with sudden economic change. Simple human compassion cries for calm and sober reassessment of existing efforts to replace successful bottom-up forest planning with top-down directives that weaken formerly healthy communities. A healthy natural environment is based on healthy human communities.

Conclusion:

- Primary forest products industry jobs are critical to the avoidance of an emerging class struggle emanating from adversely impacted, timber-based communities in the Douglas-fir region.
- The characterization of loggers as enemies of society creates deep resentments that erode the capacity of timber-dependent communities to cope with sudden economic change.

VI. Thinking Globally, Acting Locally

Rapidly growing world demand for wood and paper products puts increasing pressure on limited world supplies of high quality timber resources. Managed forests located in the as favorable a growth area as the Douglas-fir region, with a comparative advantage in both the commercial production of timber and the regeneration of its supply, are of vital importance to the safeguarding of the global environment. In the hurry to impose certain national or societal values on local communities, the global dimensions of the task of environmental preservation are being overlooked.

Domestic consumption of softwoods in the U.S. grew from 31 billion board feet in 1982 to 51 billion board feet in 1987 -- an increase closely linked to the business cycle, but affected also by long-term growth in per capita softwood consumption. Douglas fir production is equivalent to nearly 30 percent of the total

softwood consumption with an even larger share of total lumber utilization in the U.S.

Reductions in Douglas-fir production of the magnitude called for in the two Ancient Forest bills would result in large upward adjustments in lumber prices as a result of the reduced supply of a dominant source of lumber for U.S. markets. Residential construction costs would rise sharply with increasing opportunities provided for the entry of wood substitutes, derived largely from U.S. and foreign chemical, petroleum and allied industries.

Our national forest system was established nearly 100 years ago to assure a sustained and reliable supply of timber. Growing consumer demand for forest products attests to the wisdom of this action. A significant share of the federal forests are already set-aside for wilderness or other non-commodity purposes. To further reduce the amount of national forest devoted to timber production would greatly jeopardize the nation's ability to meet consumer needs. Furthermore, restricting domestic supply of timber would shift the burden to other, less developed countries. This shift would have serious environmental repercussions as the use of modern forestry techniques is not widespread through much of the developing countries.

SUMMARY AND CONCLUSIONS

The underlying premise of my testimony is that science, industry and government must work together to conserve ancient forests and endangered species. At the same time, we must manage our national forests, especially in the Pacific Northwest where they are most productive, for sustained yields and stable communities. It is important, however, that we avoid damaging natural environments elsewhere on this planet as a consequence of our collective actions in an increasingly competitive and volatile world economy.

For every action there is a reaction. Not only will communities in the Pacific Northwest be adversely affected by sudden changes in the use of our most productive natural resources but, also, the global community. Globally, we are now entering a new period of economic growth and development which may find the exploitation of unguarded forest resources in developing countries as the only available alternative to timber harvested from the Pacific Northwest.

In addition, wood substitutes derived from environment damaging fossil fuels will replace wood products as the price of forest products increases to reflect reduced supply. Plantation forestry are prime examples, becomes, therefore, the scientifically sound and socially responsible alternative to destructive exploitation of tropical forests and increased use of

fossil fuels for wood substitutes that are likely to follow a sharp curtailment of existing supplies of high quality timber products.

In summary:

- Investigation of the social and economic impacts of the spotted owl recovery program is relevant to the discussion of the Ancient Forest Act of 1990 and its impact on timber-dependent communities in the Douglas-fir region of the Pacific Northwest.
- Rural areas of the Pacific Northwest will bear the brunt of economic disruption from the implementation of the Ancient Forest Act of 1990.
- Social and economic impacts of the Ancient Forest Act of 1990 are at least as severe as the spotted owl recovery program.
- Implementation of the Ancient Forest Act of 1990 could trigger severe social stress.
- Mitigating strategies will fall short of alleviating the adverse effects of the social and economic problems triggered by the implementation of the Ancient Forest Act of 1990.
- Science, industry and government, working together, can fashion a strategy to protect critical habitats, ecosystems and the timber products industry.

Appendix 1-A. Summary of harvest impacts related to ISC strategy, Vento Bill, and the Jontz Bill for the tree-state owl region

Annual volumes in million board feet, long log;
 Percentage changes in () are from 1983-1987 average;
 Percentage changes in [] are from "before ISC strategy":

Projected Harvest for 1991-2000				
State and Ownership	Average Harvest 1983-1987	Before ISC Strategy	With ISC strategy - Public Lands Only	With ISC strategy - Public and Private Lands
ISC STRATEGY				
Federal	5,639	4,368 (-23%)	2,795 (-50%)[-36%]	2,795 (-50%)[-36%]
Other Public	1,441	1,237 (-14%)	1,009 (-30%)[-18%]	1,009 (-30%)[-18%]
Private	8,387	7,720 (- 8%)	7,720 (- 8%)[- 0%]	4,137 (-51%)[-46%]
Total ISC Strategy	15,467	13,325 (-14%)	11,524 (-26%)[-14%]	7,942 (-49%)[-40%]
VENTO BILL				
Federal	5,639	4,368 (-23%)	2,650 (-53%)[-39%]	2,650 (-53%)[-39%]
Owner public	1,441	1,237 (-14%)	1,009 (-30%)[-18%]	1,009 (-30%)[-18%]
Private	8,387	7,720 (- 8%)	7,720 (- 8%)[- 0%]	4,137 (-51%)[-46%]
Total Vento Bill	15,467	13,325 (-14%)	11,379 (-26%)[-15%]	7,796 (-50%)[-31%]
Jontz Bill				
Federal	5,639	4,368 (-23%)	1,000 (-82%)[-77%]	1,000 (-82%)[-76%]
Other public	1,441	1,237 (-14%)	1,009 (-30%)[-18%]	1,009 (-27%)[-17%]
Private	8,387	7,720 (- 8%)	7,720 (- 8%)[- 0%]	4,137 (-42%)[-39%]
Total Jontz Bill	15,467	13,325 (-14%)	9,729 (-37%)[-27%]	6,146 (-60%)[-54%]

Appendix 2-A. Summary for the three-state owl region of expected changes in total jobs during 1991-2000 if ISC Strategy were implemented today, compared to the situation likely to have occurred without the ISC strategy (number of jobs).

Bill or Strategy	Projected harvest for 1991-2000		
	Before ISC Strategy	With ISC Strategy Public Land Only	With ISC Strategy Public and Private Land
	(compared to 1983-1987)	(compared to "before ISC Strategy" for 1991-2000)	
ISC STRATEGY	-44,436	-40,321	-102,757
VENTO BILL	-44,436	-43,569	-105,550
JONTZ	-44,436	-80,529	-136,900

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- (*) Copies of the reports by Beuter, Gilless, Olson, Lee & Polzin can be obtained from Heidi Jaquish, Technical Assistant, American Forest Resource Alliance, 1250 Connecticut Avenue, Suite 200, Washington, D.C. 20036. (202) 463-2792.

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Mr. Maki has taught and directed research projects on state and regional economic issues at the University of Minnesota since 1968. In the past four years, he has supervised research projects on the export-producing sectors of the Minnesota economy. He is currently engaged in a study of Minnesota's international export markets. He has also participated in several dozen state and regional studies of mineral and forest resource development and, most recently, a study of the technology-intensive industry of Minnesota commissioned by the Minnesota High Technology Council. He is now completing a comprehensive study of the job and income effects of economic displacement in those industries and sectors of the Minnesota economy linked to export trade, military spending and general business cycles of the U.S. economy. He recently completed a report on the Minnesota economy and post-secondary education commissioned by the State University Board. Much of this research relates to the work of students in the graduate program in Applied Regional Economics and in the Minnesota Development Policy Workshop at the University of Minnesota.

Earlier, Mr. Maki taught at Iowa State University in its Economics Department where he earned two graduate degrees. He worked for the U.S. Bureau of Reclamation on power studies in Wyoming and New Town development in Washington after completing his undergraduate studies and graduate program in Geography at the University of Michigan.

Mr. Maki has published widely in numerous journals. He is currently associate editor of the Journal of Regional Science and Regional Service Perspectives. Recent publications on forest-based economics include:

"IMPLAN Modeling Applications in State and Regional Development." with Doug Olson, Scott Lindall and Con Schallau. St. Paul: University of Minnesota, Department of Agricultural and Applied Economics, April 1989, Staff Paper, 28 pages.

"Alaska IPASS Database Preparation Manual." with Paul McHugh, Douglas Olson, Con Schallau, Scott Lindall, and Hossein Akhavi-pour. Portland: U.S. Forest Service, Pacific Northwest Research Station, March 1989, General Technical Report PNW-GTR-233, 79 pages.

"Some Economic Implications of a Change in Timber Harvesting on the Tongass National Forest." with Con Schallau and Doug Olson. In The Future of the Timber Industry in Southeast Alaska. Ketchikan: University of Alaska Southeast, January 28, 1989 pp. 104-114.

**TIMBER SUPPLY STABILITY ACT; ANCIENT
FOREST PROTECTION ACT OF 1990; COMMUNI-
TY STABILITY ACT OF 1990; NATIONAL
FOREST PLAN IMPLEMENTATION ACT OF 1990;
DEVELOPMENT AND CONSIDERATION OF AL-
TERNATIVES FOR THE CONSERVATION OF
THE NORTHERN SPOTTED OWL; AND THE AN-
CIENT FOREST ACT OF 1990**

FRIDAY, JULY 27, 1990

**HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON FORESTS, FAMILY FARMS, AND ENERGY,
COMMITTEE ON AGRICULTURE,
Washington, DC.**

The subcommittee met, pursuant to notice, at 10 a.m., in room 1302, Longworth House Office Building, Hon. Harold L. Volkmer (chairman of the subcommittee) presiding.

Present: Representatives Olin, Stallings, Jontz, Morrison, Smith, and Herger.

Staff present: Glenda L. Temple, clerk; Timothy P. De Coster and Allison Biggs.

**OPENING STATEMENT OF HON. HAROLD L. VOLKMER, A
REPRESENTATIVE IN CONGRESS FROM THE STATE OF MISSOURI**

Mr. VOLKMER. The meeting will come to order. The Subcommittee on Forests, Family Farms, and Energy is meeting today to continue our review of pending legislation related to old-growth forest issues and forest planning and management. We have with us today the distinguished chairman and my classmate and colleague of the National Parks and Public Lands Subcommittee, Representative Bruce Vento, who has offered one of these bills, H.R. 5295, the Ancient Forest Act of 1990.

We will also hear today from the administration regarding these important issues. We will be interested in their testimony. We have a number of questions following from yesterday's session.

With that, I'd like to yield if the gentleman from Washington has a statement.

**OPENING STATEMENT OF HON. SID MORRISON, A REPRESENTA-
TIVE IN CONGRESS FROM THE STATE OF WASHINGTON**

Mr. MORRISON. Thank you, Mr. Chairman. I would only congratulate you on the way the hearings went yesterday. I think

we're well underway on having a much better grasp on the range of bills that deal with the old-growth and spotted owl issue in the Northwest.

Particularly to Chairman Vento I would like to mention to him that his package, which I think we've all welcomed as sort of a step forward in blending a number of the ideas and ranges of options that we have to work with. He got some strong praise in his absence yesterday, and he should know that before he starts his testimony this morning.

Mr. Chairman, I think it's going well, and those of us in the Northwest are very appreciative.

Mr. VOLKMER. Thank you very much.

Our first witness today, as I said before, is our colleague and my classmate, one who has taken the bull by the horns, as the saying goes, and drafted and introduced legislation along with others to try to come to a long-term solution to the problems in the Northwest. I want to congratulate you, Bruce, for doing that, and I look forward to working with you to hopefully arrive at an amicable solution. I suppose that it will probably be one that no one is really happy with, which means it's probably going to be a good one.

So with that, we will have our first witness, the Honorable Bruce Vento.

STATEMENT OF HON. BRUCE F. VENTO, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MINNESOTA

Mr. VENTO. Well, thank you, Mr. Chairman. Thank you very much. This year and last we really have been struggling, both in joint meetings with the Merchant Marine Committee and the Interior Committee, of course, led by your committee to try and deal with a myriad of issues that deal with this old-growth ecosystem, and this year I must say that in June when the administration announced another postponement of a policy path, I was disappointed and critical.

We had, of course, initiated earlier legislation that now is close to enactment, I hope, dealing with log exports, which is a major piece in terms of the puzzle of the old-growth challenge, the old growth ecosystem and preservation of it, and there are rational programs for it, but I was disappointed, Mr. Chairman, and we had done a great deal of work on the topic, so I tried to put together some of the ideas that existed within the context of the limits that we face in law concerning this matter.

But I would hope that the administration would take this as a signal that Congress, that this House, is ready to go to work. I know that my colleague, Jim Jontz, who serves in distinguished service on this committee with you, Mr. Chairman, and other members and Sid Morrison and others have put in a lot of work. I especially commend Sid for his leadership with the delegation in the Pacific Northwest. I think it goes beyond just responding. I think it shows a real effort to deal with this in an indepth matter.

The issue, however, is national, which is reflected by the sponsorship of Jim Jontz' bill, a major effort to try to deal with this matter, and so in coming with this bill late in the process in mid-July, I'm pleased that you've put it on the agenda for discussion

this week. It's really more than I hoped or dared to expect from you, but I'm pleased to be here and claim a certain amount of paternity for this matter, but I must say that there are many others that have had a hand in working on this matter, including the professional foresters and scientists, and I think, obviously, we have the advantage in coming in late with trying to deal with many issues that only others could try and predict.

So in the bill before you, I think the major here is to try to provide some certainty, predictability in areas that otherwise were not provided in some of the other measures or responses that we've had. Unfortunately, I think this issue has been left to fester way too long, in terms of a 3- or 4-year period, without facing up to some of the issues. What the bill tries to do, then, is to deal with this issue on an ecosystem basis, not on a single species basis, to deal with it and to put this on a permanent provider to lead toward a permanent solution of the issue. So it isn't a solution just for a single year or two, but points the direction to a long-term solution to the old-growth ecosystem.

Mr. Chairman, all we'd have to do, and you're going to hear from perhaps the Fish and Wildlife Service today, and if you ask the question I asked a few days ago, they're going to tell you that there are about 50 candidate species that are likely, or are possible, candidates for endangered species listing. So it isn't just the indicator species that's so important and has received so much attention, the spotted owl, it's many other species in the same ecosystem that exists.

So we had better, I think, in the solution, as near as we can, try to put in place a policy that will deal with this myriad of candidate species that are likely to occur, because as the old growth disappears and is no longer available, we're going to run into other laws and safeguards that we have.

Let me just point out to you and then respond to a couple of questions. I know you probably have heard more about this bill than you want to, and, hopefully, we're going to continue to discuss it. I want to say I'm not in concrete. I want to work with this committee. If time had permitted, I would have worked more closely with the chairman in terms of putting the bill together, but I think it was important to put something on the table and to live with the type of criticism and shortcomings that obviously it has.

But I want to say, Mr. Chairman, that I sincerely do want to work with you. It's absolutely essential with the significant jurisdiction that you have on your own and that you share with me and with other committees, we're going to have to get our act together, and I know that you've always taken a very positive attitude toward that, and I look forward to that. I think we are prepared to work with you, and, hopefully, we'll have an administrative partner come September in dealing with this. But we can be ready toward that end, so I want to work with all the principal individuals, including Mr. Jontz and yourself on this committee and Sid Morrison in the Northwest delegation.

What the bill that I put out does, as I said and I want to emphasize again, it's an ecosystem-type approach. It incorporates the old-growth forest system into a national multiple-use mission of the Forest Service and BLM. It articulates that, so it makes the man-

date. It creates an ancient forest reserve in the 17 forests in Oregon and Washington of some 6.3 million acres, and there are 17 national forests and the 6 BLM districts it has to be drawn from, of course, and it starts with the Thomas HCA, the Habitat Conservation Area, set up by the Interagency Scientific Committee, and, of course, those boundaries in the system are dynamic. They can be changed.

There are some requirements in terms of that system where half of the old growth has to be preserved, at least half of it has to be preserved within that system. So it starts out with a hard target in terms of preservation of an area, but the area can be modified, the boundaries can be changed based on a scientific committee or structure that's created in the bill which would recommend the changes to the BLM or to the Director of the BLM or to the Chief of the Forest Service and, finally, the Secretary of Agriculture for the modification, so it's dynamic.

The bill also sets up and protects other areas that are significant. It does not change the forest management plans or the BLM resource management plans in the areas for other resources that they protect, so areas that are outside of that HCA area and are in the forest management plans or the resource management plans would remain protected. It honors the State agreement areas, the SOHA's, as they're called. Generally, that's a BLM function. Plus, we defined seven areas that are of extraordinary importance, and they are also protected in here. They are about 200,000 acres. That's areas like Opal Creek in the Kalmiopsis and other areas that are protected in here.

In the areas of the forest that are not in the HCA or in the protected areas—and the protected areas, incidentally, are for just a 3-year period, at which time we would have to make a permanent decision on that, but the 6.3 million acres would go forward, and it's possible that some of those areas would be included in the 6.3, as we have to modify or as the HCA's are modified, but I'll get back to that particular issue in a moment—in the areas of the national forest and BLM lands that are not designated under the bill, we mandate the use of new forestry based on the definitions and models of the Forest Service and BLM as they've been developed. Some of the new forestry is described as old forestry by some of our veterans that have been around in terms of selective cutting, but I think you all know that this means leaving behind some of the big timber, leaving behind some of the trees, the snakes, and, of course, with minimal amount of burning occurring.

The bill establishes, as is recommended by the scientists, an intensive research program. I think if there's anything that matches the size of this problem it's our lack of knowledge to deal with it, and I think we might as well face up to the fact that we need to develop really a better data base and more knowledge of these areas. No one can predict the type of impacts that some of the practices would invoke.

The bill, of course, establishes a permanent forest scientific committee with nominations from the National Academy of Sciences to actually provide this advice and counsel to the Forest Service and BLM and, of course, to the Congress. I mentioned the interim protected areas already. The other major aspect—here I've talked

about some of the protection and some of the management schemes that would be put in place, the new mandate to the Forest Service and BLM on old-growth ecosystems as part of their goal, new forestry as part of their goal.

These are key areas, Mr. Chairman, of concern that I think this committee would see as very important as modifications and policy issues and initiatives and advice that we would give to BLM and that you would give to the Forest Service, and together we can work that out. The bill does, though, provide for an amount of cut, which, of course, runs me into some degree of heartburn with the conservation community, and we provide in region 6 of the Forest Service for 2.6 billion board feet and at least 450 million board feet from the BLM lands, for a total of 3.05 billion.

That, of course, is a reduction from what exists today. That is a floor, that is not a ceiling, but the Forest Service, the other information that we have, is that they can accomplish this within the context of the types of limitations that we have proposed in this measure and following their forest management plans, which I think is very important to the professionals in the field.

Mr. Chairman, as you've visited with them and other members of this committee have, I think that we have to pay attention to the fact that we've been giving instructions for years.

The bill contains a number of economic assistance proposals for 5 years. We changed the receipts, both for the Forest Service and BLM, to be provided to the local communities from 25 percent to 50 percent, and BLM receipts were changed from 50 percent to 75 percent. So the Forest Service, recognizing a substantial reduction in timber, would share more of the receipts with them.

The Forest Service is directed to do initiatives on both their own lands to enhance forestry and increase production as well as to work with the private State groups to provide a special initiative. Just on private lands alone, Mr. Chairman, the estimates are over 2 billion board feet of timber supply in the Northwest within 5 years could occur if we pursued that. Of course, a significant number of jobs, 5,000 jobs, direct timber-related jobs, could be created within 5 years. So I think this is very important when we look at the prospects of the numbers coming from the Forest Service.

I note yesterday you had some discussion on that, if I can judge by the charts that were out in the hall as I passed on to my subcommittee, but we know the numbers there in terms of the year 2000 what would occur. We can do something by the year 2000 if we put in place the funding now.

The Forest Service and BLM are directed to develop a special program to improve the condition of Federal forest lands, as I said, and the number of recreational, watershed improvement, other jobs. These aren't forest jobs; they don't pay the same as the timber industry jobs pay, but I think it's very important in terms of survival of communities, getting them from one phase to another. So I well understand the difference between these types of jobs and what they might pay as opposed to the types of jobs in forestry, but I think it is a step in the right direction as we move forward.

We also require the two Secretaries to set up task forces, so I think there's a—I didn't go through all of the emphasis on the economic aspects of it. There are many, many other suggestions along

those lines—but I think any balanced legislation should deal with that, in spite of the administration abhorrence to dealing with the economic impact of some of these changes. I think they're very profound, they're very significant. I do think the legislation that we act on in this area ought to try and address that.

Mr. Chairman, as I said, I want to cooperate with you and work with you on this, and we're going to have to do that in fact to meet our responsibilities. I'd be pleased to answer a question or two if you have the time this morning.

[The prepared statement of Mr. Vento appears at the conclusion of the hearing.]

Mr. VOLKMER. Bruce, I just have a few questions. I know the concern, I guess, addressed basically by your legislation is the ecosystem within the Northwest, and that includes northern California, Oregon, and Washington. You know, what's going on up there in the timber industry along with what's happening to the environment, et cetera, we on this committee are also concerned with what's going on not only there but all over the United States in the forest management planning process, and we have many national forests that still don't have a final plan, so I think that any legislation, at least as far as I'm concerned, that comes out of here is not only going to address the issues up there but also address the total management and planning process of our forests. You can understand that.

So that would be different as far as what you're addressing, because you don't address that, and, of course, since this subcommittee has jurisdiction over that, I can understand that. So that's why we're having the hearings on all these bills, because, in other words, we're looking at a broader picture also than just taking care of the ecosystem.

In that regard, there are several things. One, everyone right now, I guess because the spotted owl precipitated it, is concerned about the ecosystem in the Northwest and what's happening up there, and that's because supposedly we have ancient forests there. But we have an ecosystem all across this country, and it's constantly changing. Isn't that true? Do you agree with that or disagree with that?

Mr. VENTO. We have ecosystems that are dynamic, Mr. Chairman, and they are affected by air quality, water quality, a whole host of different impacts.

Mr. VOLKMER. But we've had a change in our ecosystems throughout this country in different parts of this country through the time I guess since 1492, biggest changes. Man has made those changes.

Mr. VENTO. No, I think, Mr. Chairman, that's correct, and I think that that has been done passively without our involvement. Our capacity to obviously dramatically change them by turning some into an agricultural use or other purposes is very important, and, of course, I think that the concept here, of course, in these national forests is a multiple-use concept in terms of protecting resource values and doing a whole host of different things, so the mandate here is different, and I think we have to look at that. We have a responsibility to look at that under the law.

Mr. VOLKMER. I don't disagree with that, but I'm just concerned about the fact that—are we going to do this basically on a piecemeal basis? Two or three years from now is somebody going to say that in the Mark Twain national forest in Missouri we've got to do something about the ecosystem or in the National Forest in Minnesota we've got to do something about the ecosystem? Do you understand what I'm saying?

Mr. VENTO. Mr. Chairman, I do understand what you're saying, and I think that really what we're talking about, and this is a key point, is whether or not—and I think you bring it up with regard to the forest management plan in terms of how we're going to apply this particular model in the Northwest that we finally arrive at in other areas like the Chippewa or the Superior National Forest in Minnesota or the Mark Twain National Forest or the Shawnee National Forest in Illinois—how is it going to fit that particular purpose?

And there's a changing dynamic in terms of what we know on the data, so I think first of all the research effort that we propose here, followed by efforts in terms of funding, would be very helpful, and second, I think it's very important that whatever the solution is in the Northwest in terms of boundaries that there be the opportunity to deal with that, to change the boundaries, and to address the ultimate issue.

But I think that we may find changes in terms of what is most appropriate as what we call new forestry as we go down this road, as an example, but I think there is advocacy. As I was on the east side of the Cascades and the Deschutes, they are also practicing selective cutting now, thinning, they claim to practicing new forestry as well, Mr. Chairman, so I don't think that there's anything here inconsistent.

We're going to have to continue to adopt the land-use management plans to the information and data and scientific information we have. As we learn more, we can do a better job of management. I think we should expect that of the Forest Service and let them do it. It's, after all, Congress that has been as much a hindrance as a help to these land management agencies. I know that's not because of you, Mr. Chairman, and other members here, but that's been the case.

Mr. VOLKMER. Well, we continue our demands on the—we had testimony yesterday regarding the red cockaded woodpecker and what that has done in parts of the Southeast and in Texas and that type of thing, and right now it doesn't appear, except for the people in those areas, that anyone else is focusing on that concern, and I assume that as soon as we get the Northwest taken care of we'll probably go to the Southeast and take a look there, and then we'll go somewhere else to Maine or someplace else and take a look there.

What concerns me a little bit about it is, gentleman from Minnesota, every time we do some of this, we reduce our timber supply. When we say we're going to use new forestry—and I'm not saying not to use it—but as I see it, I have to look at that and say what does that do for timber supply, what does that do for the cost of obtaining timber on a sale because we've got questions of below-cost sales? And if we're going to continue to do things that reflect

on the cost of bringing what timber we're able to bring out and three-fourths of the sales are going to be below-cost sales, that's going to impact on the building of houses. That's going to impact on whether young people can ever have a house, because it's going to impact on the amount of timber.

As we heard yesterday, stumpage prices are going sky high. That reflects later on into the price of lumber, so I'm just not looking at from one viewpoint. To me, there's multiple viewpoints, just like there's multiple use on a forest. To me, it's a multiple viewpoint, and I have to look at trade-offs. That's a little different.

Mr. VENTO. Mr. Chairman, I share that perspective. I understand that. That's why in this bill I try to provide a specific hard target for timber harvest as well as for areas in conservation. The only thing I would say is there is an interrelationship between the forests that are given to this purpose of timber harvest and those that would not be given to it in the bill. We have to recognize that.

As an indicator species, as you know, even in the HCA proposal, we'd lose half of the owl population, according to the scientists, so I think that's why we have to look to the interrelationship between these multiple values.

Mr. VOLKMER. Well, there are—at least I've been told—estimates based on your bill not quite as bad as the gentleman from Indiana's bill as far as reducing the timber supply, but under your bill you still may only have 2.5 billion board feet in the Northwest from BLM and national forest land.

Mr. VENTO. Mr. Chairman, we're told that the amount that's mandated in the bill is \$3.05 billion. That's what the floor is that can be cut and preserving the resource values. The other concern isn't just putting a number in place, Mr. Chairman. The other concern is it is satisfying the legal requirements that exist with regard to the various laws that are applicable.

The one thing I'd point out about this legislation is that there is no legal sufficiency language in here. The only thing we provide any legal sufficiency for in any manner is the forest management plans as are changed by the nature of what we've done here, which is minimal. That's the only place. We don't deal with legal sufficiency anywhere else in the bill. I think the question that you have and that the Congress has, if you're going to move ahead and cut more, then you're going to have to answer the question of what you're going to do about the lawsuits that are going to entail from that with relationship to the Endangered Species Act, the Forest Management Practices Act, the BLM Resources Management Practices Act, and a myriad of other things, NEPA and so forth.

Mr. VOLKMER. I think there would probably be sufficient lawsuits from the legislation that is being proposed without worrying about the other things, if past history shows us anything, that you won't have to worry about NEPA and Endangered Species and everything else.

My time has long expired. I recognize the gentleman from Washington.

Mr. MORRISON. Thank you.

Bruce, you do, as I indicated in my opening comment, include a variety of the ideas that have come out of months of discussion, we commend you for that. It's a most comprehensive package.

I'd like to go through with you again the items that you have placed in your reserve system just to make sure I grasp the thinking there. Start with the Thomas plan.

Mr. VENTO. HCA.

Mr. MORRISON. In your mind, what happens to the old SOHA's that the Forest Service had planned?

Mr. VENTO. Well, where there are State agreement areas, they are included. In the 3-year period, they are included in an interim plan. The HCA gives a 6.3-million acre area that would be dynamic based on a satisfaction of the modification of the boundary for the legal sufficiency and recommendations from the scientific committee that is created by the bill.

Then you have in protected areas the SOHA's, where there are ready State agreement areas, and we think the reason for doing that is, again, because there are endangered species in there, legal hoops that you have to jump through in order to modify those, and we think that the 2½- to 3-year period is reasonable. If somebody else thinks there's another way to deal with that particular issue, I'd be most interested in visiting with them.

And, of course, if you want me to continue, under the forest management and the BLM resource management plans, there are ready areas that are protected. These are stream banks, other sensitive areas, areas of special concern for recreational purposes, other reasons, Mr. Morrison, and they are protected, and I think also reflecting the fact that this is a product of law that has been long thought out, and we should not completely take the amount of—

Mr. MORRISON. I think general concurrence with anything that's in the plans as it relates to old growth and so forth should be protected. I guess the big question mark, in my mind, remains the spotted owl habitat areas as defined by the Forest Service, and you mentioned you're picking up those that have been made part of State plans.

Mr. VENTO. State agreement areas.

Mr. MORRISON. I guess I will need to go back and look at those. Then you mentioned seven specific areas of special ecological significance. How are those being determined?

Mr. VENTO. Mr. Chairman and Mr. Morrison, these are areas that we think that this is basically a political call in these areas but we think areas that should not be cut, like Opal Creek and other areas like it that should not be cut for this 3-year period, at the very least. I don't think that anyone has—the list is on page 18 of my bill as introduced.

I don't know if you have a printed version or not, but it's the Siouxon Creek, the Bourbon Creek, Elk Creek. These are areas of less than 200,000 acres—Gene Creek, North Kalmiopsis is the largest, about 90,000 acres. In fact, I think the number is more like 117,000.

Mr. MORRISON. Do you know how this listing compares with, say, the areas that various environmental groups have recommended? Actually, what they did with Mr. Jontz was just to say anything that fits in these categories.

Mr. VENTO. They'd like these and more, Mr. Morrison.

Mr. MORRISON. They like yours better?

Mr. VENTO. They'd like this and more, no doubt.

Mr. MORRISON. Then when you add all these up, are you comfortable that you still have the 2.6 billion sustainable yield from the remaining lands?

Mr. VENTO. The Chief is behind me, Mr. Morrison, and he said—

Mr. MORRISON. He's behind you on this bill or just here in the row?

Mr. VENTO. Pardon me? No, I mean he's sitting behind me. I was going to say on Tuesday he testified to the fact that he would have to go back and calculate some of the 117,000 acres. I think that these are not part of the—these may overlap, there may be overlap between the resource management plans or the forest management plans in some of these areas, too, but he would have to go back and calculate how they were planned in terms of being cut.

I don't think most of these are in the plans for immediate cut in any case, but we obviously want a comfort level here with regard to the various communities, and these resource values are important. I think one of the areas are how long do you want to expand this, what do you want to do, what do you want to treat these, but we're not putting permanent protection around these. That would be another question down the road if that's going to happen.

Mr. MORRISON. We're particularly pleased that you have kept this in a dynamic form. That is, you do not put a padlock—

Mr. VENTO. I don't want to give the impression I don't feel strongly about these particular areas. I think I do, and I think that most of you in the Northwest, as a matter of fact, are really in the middle in terms of these issues. I think that you would understand the nature of these areas, these seven forests, much better than I in terms of the dynamic of the local people and how they feel about these particular areas.

Mr. MORRISON. Obviously, that's the measurement we'll make, but you do some interesting things, and it is—

Mr. VENTO. Well, we took liberally from the gentleman from Washington, Mr. Morrison's, ideas on economic and other types of programs, and we want to work with him. I appreciate his positive attitude and his responsiveness and kind words for my proposal.

Mr. MORRISON. Thank you.

Mr. VOLKMER. The gentleman from Virginia.

Mr. OLIN. Thank you, Mr. Chairman.

Bruce, I guess we've all worked with you many, many times on projects of all kinds of sorts, generally, we were in agreement with you. I guess my feeling on this subject is that it is going to require congressional action and the sooner the better, as soon as we can get together on a reasonable solution.

I gather you're somewhat flexible with regard to your bill. To what extent do you feel that our two committees are going to need to get together on a proposal? It seems rather evident to me, at least with regard to the treatment of the problem in the Pacific Northwest.

Mr. VENTO. Well, no, I agree, Jim, that we're going to have to work on this, and, fortunately, we've got a good working relationship. I think if we're going to get anything done, there's going to have to be a high degree of cooperation between the Members of

Congress, and one of the things I'm doing here, of course, is—I'm not exactly a blank slate walking in here between the conservation and the timber communities, so I think most of you know what my sentiments are.

But I think that in a good sense we're trying to bring this together and recognize the concerns that both sides have in this to eliminate some of the polarization, and if nothing else, I think this bill is—maybe it's not the right answer, but I think at least it's limited or has reduced some of the polarization and brought into the mix some other ideas that might point the way to a long term or permanent solution.

I don't think we want to fight this fight every year, and as much as I'd like to expand this and deal with the nationwide forest management plans and new forestry all over, if I can just do it for the Northwest in this case, or if you can, I think we ought to be satisfied at this point, considering where we are at. So I hope we can. We certainly have had a good record of working together, and we aren't going to get this done unless we do.

Mr. OLIN. You don't have any big problem about considering the economic situation as well as the ecological considerations?

Mr. VENTO. No, I don't. I don't have any. I'm willing to use the national Government as a tool of trying to provide a level economic playing field, but, as you know, that particular philosophy is not always in vogue here. But I have no trepidations about using the national Government in a very significant way to deal with economic dislocation that occurs in this instance.

I do think we have realities we have to face with regard to different philosophies than the mental philosophy that comes out of Minnesota.

Mr. OLIN. I would hope in the month of September we can get this narrowed down a little bit so we can see just what it's going to take to get some legislation. I really can't in any way feel good about taking these kinds of problems to the House floor and trying to debate them there. That would be a very bad solution.

Mr. VENTO. No, I agree with that.

Mr. OLIN. I'm sure you agree with that.

Mr. VENTO. I agree, and I think that we have to have some—I think we can't let this go into a short-term type of solution again in terms of the Appropriations Committee adding something, unless we have a substantial amount of input into the process. I think we also have to be sensitive, as you've indicated, to myriad issues in this.

Mr. OLIN. I look forward to working with you. We'll have plenty of work together.

Thank you, Mr. Chairman.

Mr. VOLKMER. The gentleman from Oregon.

Mr. SMITH. Thank you, Mr. Chairman.

Welcome. I get a double dose of this today.

Mr. VENTO. I didn't come here to haunt you today.

Mr. SMITH. Well, I don't go to your committee to haunt you. [Laughter.]

With respect to your comments on sufficiency, one of the constant formats those of us who live in the area are concerned about is disability, concern that somewhere, somehow you need a timber

base that you can depend on that will assist not only the investment, not necessarily based on one here in the bills, and jobs for people that aren't constantly threatened by other actions. We've lived with that situation.

Yet with the question of sufficiency, it seems to me that if we accepted, in essence had 3 billion board feet, we still are under the threat of losses, even though we might agree, and for the moment your bill is the way it should go. We are still susceptible through others in the environmental to lawsuits and threats. I'd just point out that very recently all the Forest Service programs now must go through the Fish and Wildlife Service, either approved or not approved, based upon their interpretation of the Jack Ward Thomas protection of the owl.

I just have a release from Portland here that 912 timber sales approved by Fish and Wildlife under their consultation program, and the Oregon Natural Resources Council spokesman said, "That's terrible, it looks like unaccord." I guess the point is that after having dropped half, ASQ beat your bill, but the goal posts change continually, so we can't depend upon them, even 3 million in your—how do we approach somehow? I mean, the goal posts are never the same.

Mr. VENTO. Well, all I can say, Congressman Smith, a good friend and a member of my subcommittee as well, that's why I wanted to explain to members my comments why I wasn't here to give him a hard time, but I would just say that this bill I think provides some legal arguments for the actions that Congress takes and the land managers must implement. I think the appropriate questions, if I might say, should be to the Chief of the Forest Service people. That's why we started with the HCA's.

I don't know that there's any magic to them. In fact, as I look at it and were to design it, I might take the Andrews Experimental Forest out of it and begin doing some other things, but I don't think that that would give you the same legal argument. It has to come out of a process as is anticipated in the legislation before you.

I'm not an attorney. In real life, what I did is I was a science teacher, and I'll remind you of that as I give you legal advice here, Mr. Smith. I can get by with it because I'm a Member of Congress.

Mr. SMITH. I understand that. My only point is that after you negotiate, that's not the end. You continue to negotiate. It's an ongoing thing.

Mr. VENTO. Let me just interject. I think I'm taking a lot of time here. You've got the chief. But the point is that I didn't put that in or anything on legal sufficiency, because you know that there's a growing concern in terms of the other committees of this Congress with that. If there's a comfort level that's achieved with regard to this on all sides, then I think that maybe there's a chance to talk about it. I think the merit that I can offer here is that we try to subscribe to what the administrative and legal processes have delivered us to date.

You're right. There is no assurance down the road, somebody may come in with another suit, and I think it's very defensible or very defensible based on what I've put before you. Whether it's imprecise, I would rather doubt it. I think given the creative

nature and the evolution of practice of law in your jurisdiction, I can understand your misgivings. I take that seriously.

Mr. SMITH. Mr. Chairman, just one other point.

I'm willing to give you 1.4 million acres, not 6.3.

Thank you, Mr. Chairman.

Mr. VENTO. I hear you.

Mr. VOLKMER. The gentleman from Indiana.

Mr. JONTZ. Thank you, Mr. Chairman.

Bruce, there's a lot in your bill which I certainly support, and it adds a number of important ideas to the debate. Let me ask you this question. Is it your impression or understanding of your bill, based on our discussion last Tuesday and on other occasions, that under your legislation about half of the ecologically significant old growth remains would be cut? Is that correct or not?

Mr. VENTO. Would be preserved.

Mr. JONTZ. Half would be preserved and half would be cut?

Mr. VENTO. At least half would be preserved. It could be more than that. In other words, that's just a mandate or one of the directions under the legislation that at least half of it would have to be encompassed within the 6.3-million acre reserve.

Mr. JONTZ. Is it your impression from your conversations with the Chief that to get the 2.6 or the 3.0 billion board feet that we would have to cut half, a quarter, none of that half that you don't protect?

Mr. VENTO. Well, I think that some of it, in order to accomplish that within the forest management plans you have, probably some of it would be subject to being cut during the 3-year period, during the 10-year period, whatever the range of the forest management plan is for the area. This doesn't change the forest management plan in the areas that are not under the protected zone.

Mr. JONTZ. I appreciate that, but you and the Chief have discussed and presented the impression that that 2.6 or 3 is out there, and I want to know where it's coming from, because, of course, the problem we have historically with the Forest Service is, as you know, something we tried to avoid with section 318 but had no impact—that you cut the areas first which are unfragmented areas, and you take out some of the prime areas from an ecological standpoint.

That's part of what's gotten us to where we are, and I guess what I want to know and am hoping we can discover is what is the impact of your proposal on the resource defined as ecologically significant old growth?

Mr. VENTO. I think that as I said, and, of course, as you've indicated in terms of your reference, the attempt is to protect over half of it on a permanent basis.

Mr. JONTZ. Well, over half could mean 51 percent or it can—

Mr. VENTO. Be 50 percent, 50.1.

Mr. JONTZ. It could be 51 percent, or it could be 100 percent. I would hope it's 100, but I don't know. That's what I'm trying to find out.

Mr. VENTO. Well, I think the problem that you get into and which we did not deal with is changing the forest management plans outside of the areas of the 6.3 million acres, and, obviously, not all of the 6.3 million acres is old growth. It is based on, of

course, the indicator species as a starting point, which isn't bad. I mean, obviously—

Mr. JONTZ. Yes, but we know those HCA's include a lot of cut-over areas.

Mr. VENTO. That's right.

Mr. JONTZ. Well, let me ask you this. If we could get 2.6 or 3, whatever the magic figure is, without taking any of the ecologically significant old growth, would you think that would be good? Would that be desirable?

Mr. VENTO. I think that—

Mr. JONTZ. If we could preserve all of it rather than half of it, would that be better?

Mr. VENTO. Well, it's important to do. I think you have to satisfy some of the circumstance of the laws, of other laws, and, of course, the Forest Management Planning Act, so you have to satisfy those particular concerns, plus you have to meet a specific target level.

Mr. JONTZ. But my point is, if we could meet the target level with—

Mr. VENTO. I think the problem gets to be that if you start to overlay the other forest management plans and other resource values—in other words, you can protect all the trees just like you can protect all the owls, but you end up with a real funny management scheme.

Mr. JONTZ. Well, you do have to be concerned about—

Mr. VENTO. And so what I'm concerned about here in the long run is an ecological plan that goes beyond an indicator species, even though I'm sort of fenced in by the fact that you've got the HCA issue. The fact is I think that's what we should be looking to, the overall preservation of the ecosystem.

Mr. JONTZ. Absolutely. And my point is, if you could preserve a higher portion of it and still reach whatever the desired level of harvest is, wouldn't that be a good thing?

Mr. VENTO. Yes, it would.

Mr. JONTZ. Would it not increase the prospects of the viability of the resource being sustained and reduce the risk? I mean, isn't that a basic?

Mr. VENTO. I think that the dominant species, the old-growth species, would protect and deal with the 50-candidate species for ESA as well. So it would be good, Jim, and it's just a question of how you get there in terms of what you're doing.

Mr. JONTZ. Well, that's exactly right. How you get there.

Mr. VENTO. Not destroying all the streams and not destroying all the other resources.

Mr. JONTZ. Absolutely. Absolutely. Which we heard testimony yesterday we're doing to some extent. I guess the question that I pose, and we've discussed this and it's a question that will be discussed further, what choices do we have that would allow us to meet reasonable needs for timber with minimal impact, when you consider that we're—I mean, I share the concern of the chairman of the committee about housing and all this, but when you consider that we're exporting 4 billion board feet of raw logs, almost, which is far more than what the reduction in cut is, we're talking about even if we protected all significant old growth, are we to protect the exporters? Should we take some of what's left? I don't know.

I think that's a question we have to answer, because that's really the trade-off. The trade-off really is not—

Mr. VENTO. It's a question to private and public lands and other State lands and so forth that are doing it. I think there are various questions in terms of the impact of someone cutting a tree down, if it goes to export, it goes for domestic consumption, the job that he or she does is essentially the same.

Mr. JONTZ. That's true. It doesn't matter.

Mr. VENTO. It's a milling job that's meeting your own needs. Obviously, if you have less of it, as the chairman has indicated, stumpage figures are going to go up, timber costs are going to go up, whether it's domestic or export.

Mr. JONTZ. But the point is that if the problem is supply, we're in essence losing 4 billion board feet of supply at the present time by exports, and how much of that ecologically significant ancient forest that's there now do we have to take to meet needs if we weren't exporting that 4 billion? I'd say probably none.

Mr. VENTO. I would hope that that would be the answer, but I think that there are other economic ramifications from it, and, as I said, there are other values that we're dealing here with, and even with the HCA plan, as you know, they'd lose half of the owl population, and I think with the Vento plan you're going to lose some of the old growth. I think it's a question of where we are at today and how we get to preserve as much as we can with the least economic impact.

Mr. Chairman, I've taken a lot of your time here, and I'm happy to be here—

Mr. VOLKMER. Yes, we're going to have to go vote, and we'll recess for the vote. But before we do, I just want to point a couple things out to you. I noticed in your bill, and you don't have to answer this, this is something you and I can discuss, when you say "Douglas-fir region" I assume that you're talking about all the forests in that region, not just Douglas-fir. Correct?

Mr. VENTO. Yes, Mr. Chairman.

Mr. VOLKMER. The other thing I need to talk to you about is that the areas listed on pages 18 and 19 of the bill, whether those are additions to, and I suppose they are, spotted owl areas, the SOHA's, all those areas that you've enumerated on the limitation of timber sales in the meantime.

Mr. VENTO. Yes, Mr. Chairman, they are additions to the 6.3.

Mr. VOLKMER. Right. Thank you very much.

Mr. VENTO. Thank you, Mr. Chairman.

Mr. VOLKMER. We will recess and come back right away from the vote, and we'll start with the administration.

[Recess taken.]

Mr. VOLKMER. The subcommittee will resume the hearing.

Our next panel is Mr. Dale Robertson, Chief of the Forest Service, and Mr. Ralph Morgenweck, Assistant Director, Fish and Wildlife Enhancement, U.S. Fish and Wildlife Service, Department of the Interior.

Gentlemen, your statements will be made a part of the record, and you may either review the statements in full or summarize however you so desire, and we'll begin with Dale.

Thank you very much, Dale, for being here again, last week, this week, next week, who knows when. Thank you very much.

**STATEMENT OF F. DALE ROBERTSON, CHIEF, FOREST SERVICE,
U.S. DEPARTMENT OF AGRICULTURE**

Mr. ROBERTSON. Thank you, Mr. Chairman. I appreciate all the help and assistance and involvement of this committee as we try to work through this whole spotted owl/old-growth issue, which is, at least in my career and I think in the history of the Forest Service, about the most complex, controversial issue we've ever dealt with.

I think everyone is trying too hard to try to achieve appropriate balance between protecting the owl and also protecting jobs and communities and the economy of Pacific Northwest and northern California, and what the administration is doing right now is they have appointed an interagency task force, which is chaired by Secretary Yeutter, to take a look at various management options and to recommend a management strategy for the national forests that reflects that kind of balance.

The task force is scheduled to have their work completed by September 1, and in view of that, the administration believes it would be premature to take a position on any of these bills dealing with spotted owls and old growth and related topics at this time. We do not want to preempt the findings and recommendations of the task force in their work. So until the task force makes its recommendation in September, we would like to defer taking any positions on any of the bills being considered here today.

Finally, during the interim period, until some longer term decisions are being made on the spotted owl, the Forest Service will continue to comply with the Endangered Species Act and not take any actions which are inconsistent with the recommendations of the Interagency Scientific Committee Report.

With that, Mr. Chairman, I'd be happy to respond to any questions.

Mr. VOLKMER. Thank you very much, Dale.

[The prepared statement of Mr. Robertson appears at the conclusion of the hearing.]

Mr. VOLKMER. Mr. Morgenweck.

**STATEMENT OF RALPH MORGENWECK, ASSISTANT DIRECTOR,
FISH AND WILDLIFE ENHANCEMENT, U.S. FISH AND WILDLIFE
SERVICE, U.S. DEPARTMENT OF THE INTERIOR**

Mr. MORGENWECK. Thank you, Mr. Chairman, and thank you for inviting the Fish and Wildlife Service to comment on these several bills and our actions related to the northern spotted owl and forest management in the Pacific Northwest.

As Mr. Robertson says, the administration has a task force at work right now, and, accordingly, I, too, will not be taking any positions on behalf of the Fish and Wildlife Service relative to these bills, except I have a few general comments about several of the bills. H.R. 4492 and H.R. 5295 attempt to take a more comprehensive view of the problem rather than a piecemeal approach. The Fish and Wildlife Service feels that a comprehensive or ecosystem approach to this is a good idea, where the habitat needs are not

only for the threatened northern spotted owl but other species that are already listed or are candidate species which might also be considered in an overall approach to forest management.

In addition, H.R. 5116 deals with requiring land managing agencies to develop timber sale plans that employ alternatives other than those presented in the conservation strategy of the Interagency Scientific Committee. The bill would also invite interested parties to propose alternate plans. Certainly, the Fish and Wildlife Service would be required to subject such plans to consultation under section 7 of the Endangered Species Act, and the Fish and Wildlife Service would be willing to do that.

There are some specific questions that we have about that bill in terms of clarity, but nonetheless the Fish and Wildlife Service would certainly subject those to consultation, as required.

H.R. 1645 questions the basis for listing the owl as a threatened species and would for a period of 5 years, while further studies are performed, exempt timber sales from the Endangered Species Act. The Service feels, however, that the scientific basis for the listing is quite clear, and as a result we don't feel that H.R. 1645 is necessary.

Certainly, the Service recognizes its long-term responsibility for the conservation of the owl through working with other Federal agencies, the States, and private timber managers, as well as the need to develop a recovery plan that provides adequately for its needs. We intend to pursue all of these avenues vigorously and with reliance on the best scientific information we can gather in the months and years ahead.

Thank you, Mr. Chairman, for the opportunity to testify. I, too, would be pleased to answer questions.

[The prepared statement of Mr. Morgenweck appears at the conclusion of the hearing.]

Mr. VOLKMER. Thank you very much, Mr. Morgenweck.

I'd like you to address something. We had a witness yesterday from the Fly Fishermen's Association in the State of Washington, and you could take a generalization of his testimony was that the streams for salmon and steelhead, et cetera, have pretty well been diminished in the Northwest because of timbering. Do we still have a large amount of areas, streams, rivers, where you can still fish for steelhead and salmon?

Mr. MORGENWECK. Certainly, I think the Northwest is still one of the prime places for salmon and steelhead fishing. I'm certain that in some places there have been local impacts on some of the streams, so I don't have a very specific answer to that question, but, Mr. Chairman, I would be very happy to go back and seek such information from our partners in the Forest Service, BLM, and the States and provide that to you later, if that would be agreeable.

Mr. VOLKMER. Yes, I'd like to have that, because that's all part of the total picture, and if you could give me something in general as to what diminution there has been in the last 5 or 10 years, I'd appreciate that. And what the toll is—about how many miles of stream we still have for steelhead and salmon fishing.

Mr. MORGENWECK. I'd be happy to send it to your office.

Mr. VOLKMER. Dale, I suppose that you've had some time to review H.R. 5295 introduced by Congressman Vento and also Congressman Jontz' H.R. 4492. Have you yet done any study of the impacts of those two of placing these areas out of bounds and what results as far as a sustainable timber harvest in region 6 and also in northern California?

If you don't have that, I'd like to have it as soon as possible, so we do have some idea, because Congressman Vento is saying you can cut at least I believe it's 2.6 billion board feet a year off your lands and 450 million off the BLM lands, which gives us approximately 3 billion board feet. My question is, Is there enough timber available after we do all this to cut that much? Because I've had other people give me estimates of 2.2 billion to 2.5 billion as all you can do on a sustainable basis, if we place all this under untouchable provisions.

Mr. ROBERTSON. We're still working on that, Mr. Chairman, but the 2.6 billion that's in Congressman Vento's bill basically picks up the number that would result from overlaying the Thomas Report on top of existing forest plans, and that's basically what he's done in his bill but with flexibility to move that around over time.

Now, he has two other factors in that bill that will reduce Timber Sale Program. One is seven areas that he has set aside—

Mr. VOLKMER. I asked him about those, right.

Mr. ROBERTSON. Our field people are working on those right now to see how much impact on timber sale level that would have, so we can get that to you next week. The other factor is he does require a new forestry or new perspectives application to existing old growth that would be in our timber base, and we're still working on that, just how much of a fall down, whether it's 10 percent or whatever to practice new perspectives or new forestry versus what we've been doing in the past. So they've got those two factors that we need to adjust the 2.6 billion.

Mr. VOLKMER. All right. I appreciate that, because I'd like to have that information before we get into any what I call real markup. In your considerations, are you taking into consideration when you apply the new forestry and you apply what's left to cut whether those are going to be below cost or above cost sales?

Mr. ROBERTSON. Well, this is our—

Mr. VOLKMER. Or are you just saying this is area that can be cut?

Mr. ROBERTSON. No, they can be cut in the Pacific Northwest. This is the big moneymaker for the Forest Service, and we have, at least on the west side Oregon and Washington and northern California, we have hardly any below-cost timber sales. There's enough of a—

Mr. VOLKMER. In other words, even with the new forestry, et cetera, you still feel that it will be above cost sale?

Mr. ROBERTSON. Yes, I do. Now, maybe there's an exception here and there, but in general they're all above cost.

Mr. VOLKMER. We had testimony yesterday that stumpage prices from the national forests are increasing.

Mr. ROBERTSON. That is very true.

Mr. VOLKMER. At the present time, I assume the administration is still developing its proposal that we're going to look at in Sep-

tember. We're going to have something for around September 1. Is that correct?

Mr. ROBERTSON. That is correct. The working group, which Assistant Secretary Jim Moseley chairs, was out in Oregon and Washington and northern California last week, in fact the early part of this week, and visited the forest, visited with the Governors of the three States, as well as various interest groups out there, and actually got out and looked at some of the forests, saw spotted owl, and so they're not back hard at work at looking at the options.

Mr. VOLKMER. I yield to the gentleman from Washington.

Mr. MORRISON. Thank you, Mr. Chairman.

First, in response to the chairman's question about the fisheries in the Northwest, it is alive and well and improving; 300,000 salmon were caught last year, Mr. Chairman, by the sports fishermen. That's in addition to, of course, a tremendous volume caught by the Indians as well as commercial operations. Three hundred thousand is the figure we're working from and improving on.

I tried to get from Chairman Vento whether SOHA's were actually in his bill or not in that 6.3 million acres, and I didn't know whether you could help me or not. I was unaware of how many of those areas were tied up in State agreement lands. Chief, do you have any idea on that, or is it something we're going to have to work our way through?

Mr. ROBERTSON. Well, first, the Forest Service does not have any SOHA's tied up in State agreements. That's BLM.

Mr. MORRISON. OK.

Mr. ROBERTSON. And it was my understanding in reading the bill that the SOHA's were not in the Vento bill. That's my understanding. The HCA's are.

Mr. MORRISON. OK. That's a significant point.

Mr. JONTZ. If the gentleman would yield, on Forest Service land.

Mr. MORRISON. On Forest Service land.

Mr. JONTZ. But they are with BLM, if they're part of a State agreement.

Mr. MORRISON. Right, yes. I understand that. We've had in our delegation meetings a lot of wrestling going on with SOHA's in, SOHA's out, and, of course, we find a legal problem. Mr. Handy is behind you there and not sure whether to smile or not, because what we'd like to know is if there's a way of getting SOHA acreage released if in fact the HCA language of the Thomas Report is adopted.

Mr. ROBERTSON. I think we should do that, because we're going to end up with a dual system then of protecting the owl, and if we go to another system, I don't think we need to continue to save existing SOHA's for the spotted owl purposes. We may want to do it for some other purpose.

Mr. MORRISON. Dr. Morgenweck, as you have looked at the Interagency Scientific Committee Report, the Thomas plan, do you sense that there would be sufficient wildlife support for releasing the old SOHA areas that were of service and included in their record of decision?

Mr. MORGENWECK. We have looked at the Thomas Report, and, as I've testified to earlier, I'm sure we feel that the science is very sound in the Thomas Report. The Thomas approach to owl conser-

vation releases the SOHA's and depends on the habitat conservation areas and the "50-1 1-40 rule" to provide the habitat for movement of the owls between the HCA's. So as a result, the Service subscribes to the report, and it appears that SOHA's could be released.

Now, there is a complication, of course, and that is under the Endangered Species Act. Right now, we would be called upon to take into account those owls that are presently in SOHA's. That doesn't mean that under our incidental take authority under consultation some of those couldn't be accounted for there, but there is that complication.

Mr. MORRISON. Back to the Forest Service, were the SOHA's set up because there were owls there or because they just looked like areas that might provide the right environmental support for owls?

Mr. ROBERTSON. Most of them had owls there, and also we looked at a distribution pattern and the right habitat, and basically what you have in the Pacific Northwest now, I think, is that if the habitat's there, you've got the owl. So most of them had owls in them.

Mr. MORRISON. Chief, one last question. Do you have any concern down at your end of Independence Avenue that if we keep reducing harvest we may turn the entire Forest Service operation into a below-cost sale? In other words, if we reduce out of Pacific Northwest, which is your moneymaker, what happens then potentially to your operations across the rest of the country that we've been supporting for years and proud to do it?

Mr. ROBERTSON. Yes, I worry about that. Sixty percent of our Timber Sale Program comes out of Oregon, Washington, and California, about 60 percent, and those are our big moneymakers. The other area that we have above cost timber sales in a major way is the Southern States, and we're running into red cockaded woodpeckers there, and so if we lost the big above cost timber sales in Oregon, Washington, and northern California, I don't know if it would throw us into a below cost, but it certainly wouldn't—

Mr. MORRISON. Is there a magic figure out there somewhere based on sales out of, say, region 6 which you dip below the Forest Service level of profits from that part of the country to help cover the costs of other forests?

Mr. ROBERTSON. Yes, there is a point there, but there is the compensating factors that if we dropped a lot of volume out of the Pacific Northwest, which is a big supplier of wood, you're going to see the cost of stumpage go up elsewhere throughout the country, so there would be increased stumpage prices, which would improve our below-cost timber sale situation elsewhere.

Mr. MORRISON. This is the Agriculture Committee. We're going to end up operating timber like the Sugar Program. Thank you, Chief.

Thank you, Mr. Chairman.

Mr. VOLKMER. The gentleman from Virginia.

Mr. OLIN. Thank you, Mr. Chairman. I apologize for being absent when the two gentlemen gave their talks. I've roughly read through them.

Mr. Robertson, you indicated in your testimony that you were not really free to discuss the details of the legislation prior to the

administration's task force reporting in September, but I wonder whether you could comment on a couple of things.

One, it's obvious that the Pacific Northwest, like the rest of the country, needs to have some kind of stability and predictability with regard to timbering, and a little bit separate from the owl question, to what extent do you feel that some limitation on the appeal process—beyond what we have or some measures to slow down once we have approved plans the degree to which others can interfere with those plans for some period of time—to what extent do you feel you'd support some changes along those lines?

Mr. ROBERTSON. Congressman Olin, I very much support conducting our business out in the open, giving people a chance to get involved in our decisions and even a chance to appeal and go to court to challenge us. I'm OK with that. But we've got to get a sense of closure on things at some point, and we've kind of got an open-ended process right now, and, the Forest Service or BLM, we just don't make a comprehensive decision, and that decision is made. The decision process kind of unfolds, and there are decision points along the way, and we're getting caught up in appeals and lawsuits and an unfolding decisionmaking process that has many points where decisions have to be made.

I'm not a lawyer, and I'm not an expert on judicial review and all of that, and, incidentally, the Department of Justice is looking at these bills on the judicial review aspects and the court situation. I'd just like to say that I think we've got to have a sense of closure so at some point the Forest Service can move on and implement these forest plans. I don't know what that point is, I don't know what kind of a scheme you ought to devise here to say enough is enough and it's time to get on with implementing the plan, but I believe where we're at now, in my opinion, the Forest Service is having tremendous frustrations with appeals and lawsuits, and we just are having a lot of difficulty getting through that process.

Mr. OLIN. Are you led to believe that the Department of Justice is going to make some proposals along those lines?

Mr. ROBERTSON. Several of these bills would change some of the legal proceedings and processes, and the Department of Justice is reviewing these bills, and whether they come up with a position or not I don't know, but they certainly would have some comments on these bills that deal with the judicial process.

Mr. OLIN. I've certainly had the feeling that the Forest Service has been pushed around much too much with regard to issues as to whether or not they are following their own plans or whether or not they're following the law and so on, and the things that are brought up sometimes are such minute, minuscule points that you wonder why you should be obliged in every case to stop what you're doing and pay attention to that only.

On the other hand, of course, obviously, we can't constitutionally eliminate the appeal process or the judicial review totally in any sense.

Mr. ROBERTSON. We just need to get some reasonableness in the process.

Mr. OLIN. One other question. The term "new forestry" has been used in some of these bills. I haven't read all the definitions of it yet. Does that mean anything to you?

Mr. ROBERTSON. Yes.

Mr. OLIN. What does it mean?

Mr. ROBERTSON. Conceptually—there's a lot of details to be worked out—but, conceptually, that means that we look at all the values out there in the forest, especially the ecological values that we want to perpetuate through time, and figure out how to perpetuate those values in a managed forest through time. A good example is old-growth values.

The Forest Service has said we believe old growth has some value, and we ought to perpetuate old growth in two ways. One, some areas set aside; others, perpetuate that in a managed forest through time. New forestry is a way to do that. Maintaining some old trees, maintaining snags, maintaining multilevel canopy logs on the ground.

That's the old-growth issue, but you can apply the same thing here in the East with hardwoods. We need to perpetuate more hardwoods in our forests through time, and we need to perpetuate some large hardwoods, because—

Mr. OLIN. If we took that concept totally literally, the best thing to do is just to put a fence around the forest and walk away and let it grow. I think you ought to be a little careful about getting that defined to the point where it's a practical term. We can live with the reality of what we do in the forest and how we treat it.

Mr. ROBERTSON. We're very sensitive to that, Congressman Olin.

Mr. OLIN. We are obviously affecting the ecological situation with everything that we do that's manmade. Some of those changes are unacceptable, but some are probably not unacceptable. I quarrel a little bit with your—it's a nice term, but I hope you don't get carried away with it, because if you took literally what you just said, you wouldn't do much with the forest at all.

I think the Forest Service and probably BLM—I don't know much about BLM, so I shouldn't even say it—I'll say the Forest Service needs to firm up how they plan to manage the forest and get a plan that they know that agrees with the fundamental law and the statements that they have made and then follow that and then firm up. Don't let people push you around off of those plans.

I think that the Forest Service has been much too pliable in the hands of people that have other interests. I'm not in favor of doing wrong things in the forest, but I think you've just been pushed around until it's reached the point of ridiculousness, and I hope that we can, through this legislation and other actions, help you firm things up so people can predict what's going to be happening with the forest, and the people that have economic interests will know where they stand and people that have recreational interests will know where they stand.

Mr. ROBERTSON. I agree with that, Congressman Olin.

Mr. OLIN. Good. We hope to help you do that.

Thank you, Mr. Chairman.

Mr. VOLKMER. The gentleman from Oregon.

Mr. SMITH. Thank you, Mr. Chairman.

Chief, we know that the model used for Jack Ward Thomas is flawed. It needs to be reviewed. There are arguments about size of HCA's. There should be an open discussion or interpretation of the model, it seems to me. Would you consider convening the Jack

Ward Thomas committee on direct request to continue revising the model but also bring in what we believe is new biology, especially in northern California?

As we heard in testimony yesterday, there are owls in second-growth forests other than redwoods. Don't you think that ought to be a part of the scenario before we take Jack Ward Thomas as a direct descendent of the tablets of Moses?

Mr. ROBERTSON. You mean to reexamine those models?

Mr. SMITH. Yes.

Mr. ROBERTSON. I have no objections to looking at those models. One thing the Jack Ward Thomas did, they put it all in a publication, and they described it, and there's no problem, in my view, of discussing that report, having people look at models and other conclusions, the biology that went into it, and I have no problem with reviewing that.

Mr. SMITH. Well, you know, and one question that Jack Ward Thomas did not address is, how do you provide for watching owls and also some kind of community stability? That ought to be a question addressed to the biologists. If we're going to accept this as the last word, let's make sure the total circumference of the issue is addressed. Is that disagreeable to you?

Mr. ROBERTSON. No, and that's what the interagency task force is doing is looking at how to do that.

Mr. SMITH. Well, the problem with the interagency task force is they're not scientists, and you can't attack science unless you use science. That's my problem here. Because they'll say, "Oh, my God, this is an administrative agency program, and we've got the science on our side with Jack Ward Thomas." Unless you reconvene Jack Ward Thomas, it seems to me, and bring in these other issues, then your whole program is discarded.

I'm going to ask you to take that message to your interagency task force, and I'm going to ask the Secretary directly and personally as well. Would you do that for me?

Mr. ROBERTSON. Sure.

Mr. SMITH. Thank you.

Mr. ROBERTSON. I'll pass that on. The working group is meeting with Jack Ward Thomas and some of the people on his committee and are asking some questions like that.

Mr. SMITH. Now, for instance, Jack Ward Thomas recommends no salvage in the HCA. You know we've got 800 million board feet of bug-infested timber in northern California—120 million of it in owl forests, much of it in HCA's. Now, is it prudent not to take that bug-infested timber out of there when you know you're going to infest acreage that's next to it. It's growing, it's spreading.

It seems to me to be a total waste if we're going to just let it stand there and rot. They're not going to have any owls living in those places. As you all know, these pine thickets throughout our whole region are dying of bug infestation, and we're not keeping up. At least we ought to go salvage it to help control the bugs.

Mr. ROBERTSON. Well, I think the reason that the Jack Ward Thomas committee came to the conclusion we ought not to salvage was to be sure we had adequate logs and debris on the ground which is used by the prey base that owls use, which basically is mice and other rodents, but once you get beyond that, there ought

to be some flexibility to deal with huge areas, and we ought to protect the spotted owl habitat.

Mr. SMITH. Well, as you know, you've seen those areas. They're a mass of dead sticks.

Mr. ROBERTSON. Yes, sir.

Mr. SMITH. No one uses that.

One quick question to Dr. Morgenweck. Do you believe the Jack Ward Thomas Report is complete?

Mr. MORGENWECK. Well, I think, Congressman, that it's the best information that we have at the time.

Mr. SMITH. I know it.

Mr. MORGENWECK. And in terms of science, there's always more information that could be used.

Mr. SMITH. Would you agree that the Jack Ward Thomas committee ought to be reconvened to continue to study these kinds of changes and to possibly rearrange the conclusions?

Mr. MORGENWECK. I think, Congressman, that the management of the forest has to be adaptive in this situation, and in that I mean if there's new information that comes to light, we should be able to use that information to manage the forests, manage the spotted owl situation. So in the sense that if there's new information, then I think it's appropriate that the committee consider that new information to see if it does modify some of its conclusions.

Mr. SMITH. But if the model is wrong, Dr. Morgenweck, the model ought to be adjusted now. It ought not to continue as the Jack Ward Thomas Report. Don't you agree?

Mr. MORGENWECK. I think that we have to look at what new information is available, and, as we've discussed in one of our many hearings, there is new information that's coming in from surveys that are being conducted this summer. I think it has to be considered.

Certainly, the Fish and Wildlife Service has to consider it in light of our consultation responsibilities. In terms of maintaining an up-to-date conservation plan for the owl, I think, yes, it ought to be considered there as well.

Mr. SMITH. You didn't answer my question about reconvening Jack Ward Thomas.

Mr. MORGENWECK. I would have no problem with that.

Mr. SMITH. Thank you, Mr. Chairman.

Mr. VOLKMER. The Chair recognizes the gentleman from Indiana, and when he's concluded, we will adjourn the hearing, because I don't believe there are any more questions.

The gentleman from Indiana.

Mr. JONTZ. Thank you, Mr. Chairman.

Chief, all these lawsuits and appeals, are you winning these or losing these?

Mr. ROBERTSON. Let's talk about lawsuits. We've lost more than we've won.

Mr. JONTZ. Why do you lose them?

Mr. ROBERTSON. Well, when the cases are presented to the judges, they come down on the side of the plaintiff more than the defendant.

Mr. JONTZ. So if we start limiting the right of people to go to court, I mean, what is it? We should just let the agency pick which laws they want to follow? I mean, that's not your philosophy, is it?

Mr. ROBERTSON. No, sir, it is not.

Mr. JONTZ. I mean, there are legitimate disagreements about what the law requires, but that's what we have courts for.

Mr. ROBERTSON. That is true.

Mr. JONTZ. That's right. Let me talk about—well, we could get into a long discussion about how to prevent losing lawsuits, but we have had that discussion before, and you know my views very well, and I think you agree with me, basically.

At any rate, let's get back to some of these numbers. Total harvest of 156 national forests this year, what, about 12 billion board feet? Where are we nationwide?

Mr. ROBERTSON. Between 11 and 12 billion board feet.

Mr. JONTZ. Between 11 and 12 billion. After the implementation of Jack Ward Thomas in new forest plans in the Northwest, where are we, about 9.4, 9.6? Is that right?

Mr. ROBERTSON. No, we're at 3.85 this year, and if you implemented Jack Ward Thomas on top of existing plans, that would be 2.6.

Mr. JONTZ. It's 3.4 for new plans, is that right?

Mr. ROBERTSON. Yes, 3.45 is new plans.

Mr. JONTZ. So 3.4 is new plans, but subtracting 2.6 from 3.85 gives you 1.25.

Mr. ROBERTSON. Right, and that is—

Mr. JONTZ. And you take that off of 12?

Mr. ROBERTSON. Well, you have to increase it by about 15 percent, because this is net, and you have to get the gross, and so it would be 1.15 times that.

Mr. JONTZ. So you take that off of 12?

Mr. ROBERTSON. Yes.

Mr. JONTZ. So really systemwide you're talking about a 10-percent reduction, is that right? A 10-percent reduction?

Mr. ROBERTSON. It's a little more than 10, but somewhere in that neighborhood.

Mr. JONTZ. So the notion that we are crippling the ability of our national forests to produce timber by going to a 2.6 billion board feet cut in the Northwest, if that's what happens, I mean, really a 15, 12, 10-percent reduction is not crippling the system.

Mr. ROBERTSON. Well, you take out 15 percent of the supply of any basic material that we need on a day-to-day basis, and you're going to have an affect.

Mr. JONTZ. Well, now, that's another question. That's another question. Let's just take region 6. Total harvest, public and private, 16 billion board feet?

Mr. ROBERTSON. Yes, 15 to 16.

Mr. JONTZ. Federal lands, 3.85?

Mr. ROBERTSON. Yes.

Mr. JONTZ. Less than 25 percent?

Mr. ROBERTSON. It's about 25, yes.

Mr. JONTZ. We're real good on this committee about confusing these numbers, and we forget that the—

Mr. VOLKMER. Will the gentleman yield?

Mr. JONTZ. I would gladly yield.

Mr. VOLKMER. You're confusing hardwoods with softwoods, too.

Mr. JONTZ. No, not in region 6.

Mr. VOLKMER. Pardon?

Mr. JONTZ. Not in region 6. I think we're talking about soft woods almost—what? What would you say in region 6? Public and private together. What, 90 percent, 95 percent, 98 percent?

Mr. ROBERTSON. Probably so.

Mr. JONTZ. We're not confusing hardwoods with softwoods.

Mr. ROBERTSON. There's some alder out there, but the rest of it is mainly softwood.

Mr. JONTZ. When you talk about the amount of ecologically significant old growth left, then you're talking about public lands. When you talk about total timber base, we are getting a quarter of our timber from the Pacific Northwest region 6 from Federal lands. Three-quarters of it.

Mr. ROBERTSON. That's national forest. BLM adds another billion in there, so when you add BLM and the Forest Service together, you're more like a third.

Mr. JONTZ. OK, it would be a little less than a third. So the notion that we have to depend completely on our public forests for timber supply is, of course, not correct. I know nobody is arguing that, but I think it helps to put some of these numbers into some perspective.

One final question, Chief. You have testified that you believe that we can meet the 3.0 or 2.6 ASQ in region 6, what the Vento bill contemplates. How much ecologically significant old growth would we have to cut to do that?

Mr. ROBERTSON. Over the long term?

Mr. JONTZ. Each year. With 3.0 a year, what are we going to cut out of that 3.0? How much of that impact is going to come out of what you would define as ecologically significant old growth? Do you want to supply that?

Mr. ROBERTSON. I'll have to supply that, because I assume by ecologically significant old growth you're talking about the definition in the Pacific Northwest station publication 447.

Mr. JONTZ. PNW 477, yes.

Mr. ROBERTSON. OK. That is what we don't have inventoried yet. Come October 1, at least we'll have an inventory of that from satellite, and then we can look at that in relation to our timber sales and answer that question.

Mr. JONTZ. Thank you.

Mr. VOLKMER. The gentleman from Indiana brought up the total board feet and how much you'll reduce the total board feet as far as what's going on in the Northwest, but what I was trying to point out is that in that total board feet not all of that is softwood.

Mr. ROBERTSON. That is correct. There's a lot of hardwoods, especially in the East.

Mr. VOLKMER. You've got a lot of hardwood in there, and that hardwood isn't going to be used to build houses with. You kiln-dry some good oak and then try and drive a nail through it. I guarantee you, you just don't do that, and that's not used for those purposes. So I'd like for you to give us an impact, as long as we're getting these figures, of the total board feet of softwood that's avail-

able nationwide before and after this occurrence in the Northwest, public lands and then public and private, so we can get an idea of the impact.

Mr. ROBERTSON. And exclude the hardwoods out of that?

Mr. VOLKMER. Exclude the hardwoods out. Just softwood. Those things that softwoods are used for.

Thank you very much.

Mr. ROBERTSON. Thank you.

Mr. VOLKMER. We have to go vote, and that will conclude the hearing.

[Whereupon, at 11:55 a.m., the subcommittee was adjourned, subject to the call of the Chair.]

[Material submitted for inclusion in the record follows:]

STATEMENT
 CONGRESSMAN BRUCE F. VENTO
 CHAIRMAN, SUBCOMMITTEE ON NATIONAL PARKS AND PUBLIC LANDS
 BEFORE THE SUBCOMMITTEE
 ON FORESTS, FAMILY FARMS AND ENERGY
 HEARING ON FORESTRY BILLS
 JULY 27, 1990

THANK YOU, MR. CHAIRMAN, FOR THIS OPPORTUNITY TO SPEAK BEFORE YOUR DISTINGUISHED SUBCOMMITTEE ON MY BILL, H.R. 5295, THE ANCIENT FOREST ACT OF 1990. I APPRECIATE YOUR CONSIDERATION OF THIS BILL. THE ANCIENT FOREST ACT IS INTENDED TO PROVIDE A BALANCED AND PERMANENT SOLUTION TO THE EXTENDED AND BITTER CONTROVERSY IN THE PACIFIC NORTHWEST OVER OLD GROWTH FORESTS AND THE NORTHERN SPOTTED OWL. THE CONTROVERSY HAS RAGED FOR TOO LONG. THE PEOPLE OF THE NORTHWEST, THE ECONOMY OF THE REGION AND THE AMAZING BIOLOGICAL DIVERSITY OF THE ANCIENT FOREST ECOSYSTEM WILL ALL SURELY SUFFER FROM FURTHER DELAY. WE HAVE WAITED PATIENTLY FOR THE PRESIDENT AND HIS ADMINISTRATION TO PROVIDE LEADERSHIP AND TO USE THE AUTHORITY AND EXTENSIVE RESOURCES AT THEIR COMMAND TO TAKE THE ACTION TO PROPOSE COHERENT POLICIES NECESSARY TO SOLVE THE OLD GROWTH FOREST CONTROVERSY. INSTEAD, WE HAVE GOTTEN WORDS, MORE STUDY AND PROCRASTINATION. MOST RECENTLY FOR INSTANCE, THE ADMINISTRATION ANNOUNCED THAT THEY NOT ONLY LACK A LONG TERM SOLUTION, BUT THEY WON'T HAVE A PROPOSED SOLUTION FOR EVEN FISCAL YEAR 1991 UNTIL SEPTEMBER!

SEPTEMBER WOULD BE TOO LATE FOR OPEN, ORDERLY CONSIDERATION. THE PEOPLE OF THE NORTHWEST AND THE REST OF THE NATION DESERVE ACTION AND ANSWERS. IT IS CLEAR THAT THE ADMINISTRATION IS PROVIDING NEITHER. IF CONGRESS WERE TO WAIT ON THE ADMINISTRATION THE NORTHWEST WILL TRULY BE FACED WITH DIRE

CHOICES. THE BEST THAT CAN BE HOPED FOR FROM THE ADMINISTRATION AT THIS POINT WOULD BE ANOTHER TEMPORARY FIX, TACKED ON TO AN APPROPRIATIONS ACT. THE PACIFIC NORTHWEST AND ITS OLD GROWTH RESOURCES DON'T NEED MORE BAND AIDS. WE NEED A PERMANENT PRESCRIPTION.

THE SOLUTION PROPOSED IN MY BILL IS BASED ON WHAT WE KNOW TODAY. ITS PROVISIONS ARE THE RESULT OF THE LATEST SCIENTIFIC INFORMATION AVAILABLE ON ANCIENT FOREST ECOSYSTEMS. ON THE ADVICE OF LEADING SCIENTISTS, INSTEAD OF FOCUSING ON A SINGLE SPECIES, THE MEASURE ADVANCES AN ECOSYSTEM APPROACH THAT STRIVES TO PROTECT ALL THE BIOLOGICAL DIVERSITY OF SPECIES DEPENDENT ON OR ASSOCIATED WITH ANCIENT FORESTS INSTEAD OF JUST THAT IMPORTANT INDICATOR SPECIES: THE NORTHERN SPOTTED OWL. OLD GROWTH SPECIES SUCH AS THE MARBLED MURRELET, THE OLYMPIC AND DEL NORTE SALAMANDERS, THE RED TREE VOLE, THE FISHER AND THE PINE MARTEN MAY SOON BE LISTED AS THREATENED OR ENDANGERED IF WE CONTINUE TO LOSE ANCIENT FORESTS AT THE CURRENT RATE. IF THE POLICY IS ONLY ENOUGH TO SOLVE THE SPOTTED OWL CONTROVERSY, IT WILL FALL SHORT AS WE CONTINUE TO FIND OURSELVES EMBROILED IN SIMILAR BATTLES FAR INTO THE FUTURE. SUCH PIECEMEAL APPROACHES WILL NEVER PROVIDE WHAT THE ECOSYSTEM APPROACH CAN: A REASONABLE DEGREE OF CERTAINTY AND STABILITY FOR THE ECONOMY AND THE PEOPLE OF THE NORTHWEST. THE PROVISIONS AND PROCESS ESTABLISHED IN THE ANCIENT FOREST ACT WOULD HOPEFULLY SOLVE PERMANENTLY THE DILEMMA OF HOW TO PRESERVE MORE OF THE ANCIENT FORESTS WITH ALL OF ITS SPECIES WHILE AT THE SAME TIME FACILITATING A STABLE, SUSTAINABLE SUPPLY

OF TIMBER FOR THE ECONOMY OF THE NORTHWEST.

LET ME SHARE WITH YOU THE KEY PROVISIONS OF THE BILL:

1. THE BILL INCORPORATES PROTECTING OLD GROWTH FOREST ECOSYSTEMS INTO THE NATIONAL MULTIPLE USE MISSIONS OF THE FOREST SERVICE AND THE BUREAU OF LAND MANAGEMENT.
2. IT CREATES A 6.3 MILLION ACRE ANCIENT FOREST RESERVE SYSTEM ON 17 NATIONAL FORESTS IN OREGON, WASHINGTON AND NORTHERN CALIFORNIA AND ON 6 BLM DISTRICTS IN OREGON AND NORTHERN CALIFORNIA. COMMERCIAL TIMBER SALES WOULD BE PROHIBITED WITHIN THE SYSTEM. THE SIZE OF THE SYSTEM IS BASED ON THE AMOUNT OF LAND AREA SCIENTISTS INDICATE ARE NEEDED TO PROTECT THE NORTHERN SPOTTED OWL AND MAINTAIN SIGNIFICANT OLD GROWTH FOREST ECOSYSTEMS. THE BOUNDARIES OF THE SYSTEM WILL BE DESIGNATED WITHIN THREE YEARS BY THE FOREST SERVICE AND BLM AFTER RECEIVING RECOMMENDATIONS FROM THE ANCIENT FOREST SCIENTIFIC COMMITTEE ESTABLISHED BY THIS BILL, COMPOSED OF SOME OF OUR NATION'S LEADING SCIENTISTS. IN ORDER TO BE RESPONSIVE TO NEW SCIENCE AND NEW INFORMATION IN THE FUTURE, THE BOUNDARIES OF THE SYSTEM

ARE DYNAMIC AND CAN THEREFORE BE MODIFIED WITHIN A PROCESS OVER TIME AS LONG AS THE TOTAL ACREAGE REMAINS THE SAME AND THE IMPORTANT SCIENTIFIC CRITERIA LISTED IN THE BILL ARE ADHERED TO. THE LEGISLATIVE POLICY AND THE RESERVE SYSTEM ARE DESIGNED TO REGENERATE SOME OLD GROWTH FORESTS WHERE THEY ONCE EXISTED.

3. THE BILL DIRECTS THAT THOSE FOREST ECOSYSTEMS WHICH DO NOT GET DESIGNATED AS PART OF THE RESERVE SYSTEM ARE TO BE MANAGED WITH ECOLOGICALLY SENSITIVE "NEW FORESTRY" METHODS. THIS ENTAILS LEAVING BOTH GREEN TREES AND SNAGS BEHIND WITH MINIMUM BURNING.
4. THE BILL ESTABLISHES AN EXTENSIVE ANCIENT FOREST RESEARCH PROGRAM TO ADVANCE THE LEVEL OF SCIENTIFIC KNOWLEDGE OF THESE IMPORTANT OLD GROWTH FOREST ECOSYSTEMS.
5. IT ESTABLISHES AN IMPORTANT PERMANENT ANCIENT FOREST SCIENTIFIC COMMITTEE TO MAKE CREDIBLE RECOMMENDATIONS TO THE FOREST SERVICE AND BLM ON THE LOCATION OF THE ANCIENT FOREST RESERVE SYSTEM BOUNDARIES AND ON THE ESTABLISHMENT

AND MANAGEMENT OF THE RESERVE SYSTEM, THE NEW FORESTRY METHODS OUTSIDE THE RESERVE SYSTEM AND THE ANCIENT FOREST RESEARCH PROGRAM.

6. DURING THE THREE YEAR INTERIM PERIOD BEFORE THE RESERVE SYSTEM IS IN PLACE, THE BILL PROTECTS FROM TIMBER HARVEST THOSE AREAS THAT THE AGENCIES AND THE SCIENTIFIC COMMITTEE WILL NEED TO CONSIDER FOR INCLUSION IN THE RESERVE SYSTEM. THEY INCLUDE (a) THE 6.3 MILLION ACRES OF HABITAT CONSERVATION AREAS IDENTIFIED BY THE INTERAGENCY SCIENTIFIC COMMITTEE (ISC) AS NEEDED FOR THE VIABILITY OF NORTHERN SPOTTED OWL POPULATIONS, (b) OLD GROWTH FORESTS PROTECTED IN FOREST SERVICE AND BLM MANAGEMENT PLANS, (c) THE AREAS IN THE BLM'S SPOTTED OWL AGREEMENT WITH THE OREGON DEPARTMENT OF FISH AND WILDLIFE AND (d) 7 SPECIFIC AREAS OF SPECIAL ECOLOGICAL SIGNIFICANCE.
7. DURING THE SAME 3 YEAR INTERIM, THE BILL ESTABLISHES A TIMBER SALE PROGRAM OF AT LEAST 2.6 BILLION BOARD FEET FOR REGION 6 OF THE FOREST SERVICE AND AT LEAST 450 MILLION BOARD FEET FOR THE BLM LANDS IN OREGON AND NORTHERN

CALIFORNIA.

8. THE BILL CONTAINS AN ECONOMIC ASSISTANCE PACKAGE FOR RURAL COMMUNITIES:
- A. FOR 5 YEARS, THE AMOUNT OF NATIONAL FOREST RECEIPTS RETURNED TO THE AFFECTED COUNTIES WOULD RISE FROM 25% TO 50%. THE AMOUNT OF BLM RECEIPTS RETURNED TO COUNTIES WOULD INCREASE FROM 50% - 75%.
- B. THE FOREST SERVICE IS DIRECTED TO DEVELOP, THROUGH ITS STATE AND PRIVATE FORESTRY PROGRAM, A SPECIAL INITIATIVE TO IMPROVE FOREST PRODUCTIVITY ON NON-FEDERAL LANDS IN THE PACIFIC NORTHWEST. THIS WILL INCLUDE TECHNICAL ASSISTANCE ON MODERNIZATION OF MILLS, IMPROVEMENT OF WOOD UTILIZATION TECHNIQUES, AND DEVELOPMENT OF MORE EFFICIENT HARVESTING METHODS, AS WELL AS ASSISTANCE IN IMPROVING TIMBER STANDS AND IN ACCELERATING REFORESTATION. THIS INITIATIVE WILL ADD OVER 2 BILLION BOARD FEET TO THE TIMBER SUPPLY IN THE NORTHWEST WITHIN FIVE YEARS AND BILLIONS

OF ADDITIONAL BOARD FEET TO THE TIMBER SUPPLY OVER THE LONG TERM. OVER 5,000 DIRECT TIMBER RELATED JOBS COULD BE CREATED WITHIN FIVE YEARS.

- C. THE FOREST SERVICE AND BLM ARE DIRECTED TO DEVELOP A SPECIAL PROGRAM TO IMPROVE THE CONDITION OF FEDERAL FOREST LANDS THROUGH WORK PROGRAMS SUCH AS CONSTRUCTING RECREATIONAL AND INTERPRETIVE FACILITIES AND TRAILS, IMPROVING COMMERCIAL AND RECREATIONAL FISHERIES, CONDUCTING NATURAL RESOURCE INVENTORIES, IMPLEMENTING NEW FORESTRY TECHNIQUES, CONSTRUCTING AND MAINTAINING ADMINISTRATIVE FACILITIES AND ENHANCING WILDLIFE HABITAT, WATERSHEDS AND TIMBER MANAGEMENT. THIS PROGRAM WOULD CREATE AT LEAST 2,500 FORESTRY RELATED JOBS WITHIN FIVE YEARS.
- D. THE TWO SECRETARIES WOULD BE REQUIRED TO ESTABLISH COMMUNITY ASSISTANCE TASK FORCES AT THE NATIONAL AND LOCAL LEVEL TO PROVIDE DISPLACED WORKERS WITH RETRAINING, JOB COUNSELING AND JOB PLACEMENT AND TO PROVIDE

RURAL COMMUNITIES WITH GRANTS AND LOANS TO
HELP THEM DIVERSIFY THEIR ECONOMIES.

I WANT TO EMPHASIZE AGAIN, THAT THE PRESIDENT HAS AMPLE
AUTHORITY WITHOUT NEW LEGISLATION TO BE TAKING ACTION TODAY, TO
MITIGATE THE EFFECTS OF PROTECTING OWLS AND OLD GROWTH FORESTS.

FOR EXAMPLE, THE PRESIDENT COULD HAVE ACTED TO RESTRICT LOG
EXPORTS AND THEREBY INCREASE THE DOMESTIC SUPPLY OF LOGS FOR
TIMBER MILLS. INSTEAD, CONGRESS HAS HAD TO DEVELOP LEGISLATION
WHICH IS NOW NEARING ENACTMENT.

AND, THE PRESIDENT COULD HAVE ALREADY DIRECTED THE FOREST
SERVICE TO ESTABLISH A PRIORITY INITIATIVE IN THEIR STATE AND
PRIVATE FORESTRY PROGRAM TO INCREASE TIMBER SUPPLY. INSTEAD, HIS
FY '91 BUDGET CUTS THIS PROGRAM BY 50%. SO MY BILL DIRECTS HIM
TO ESTABLISH A PRIORITY PROGRAM THAT CAN MAKE AVAILABLE BILLIONS
OF ADDITIONAL BOARD FEET OF TIMBER.

TO INSTITUTE SUCH A PROGRAM AS SOON AS POSSIBLE, I RECENTLY
JOINED WITH OTHER MEMBERS OF CONGRESS IN URGING THE
APPROPRIATIONS COMMITTEE TO FUND THIS EFFORT IN FY '91.

MR. CHAIRMAN, I WOULD BE HAPPY TO ANSWER ANY QUESTIONS.

FINAL

STATEMENT OF
F. DALE ROBERTSON, CHIEF
FOREST SERVICE
UNITED STATES DEPARTMENT OF AGRICULTURE

Before the
Subcommittee on Forests, Family Farms and Energy
Committee on Agriculture
U.S. House of Representatives

July 27, 1990

MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE

Thank you for the opportunity to appear before you today to discuss one of the most important natural resource issues facing us today. Mr. Chairman, I want to thank you and members of your subcommittee for the interest you have shown in this subject. During the course of the past 2 years your interest and your willingness to work with the Forest Service has been very valuable. And I thank you and other members of this Subcommittee.

Like many of the sponsors of the legislation we are discussing today, the Forest Service has also spent many hours studying the resource, social and economic concerns associated with the spotted owl and old growth issue. And, as you know the Administration has stated it is interested in achieving a balance between preserving the spotted owl and protecting jobs and economic opportunities in the Pacific Northwest and northern California. To this end, the Administration has appointed an Interagency Task Force to develop a management strategy that reflects that balance.

The Task Force also plans to identify, for Fiscal Year 1991, one or more ways to offer timber for sale at a level as close as possible to the allowable sale quantity (ASQ) of net merchantable sawtimber in the new Forest Land and Resource Management Plans for Washington Oregon and northern California while giving appropriate protection for the northern spotted owl. The Task Force report should be completed on September 1.

Since the Task Force report won't be finished for at least another month, the Administration believes it would be premature to take a position on any legislation dealing with spotted owls, old growth and related subjects. The Administration does not want to preempt the findings of the Task Force report. We have been in contact with governors, congressional delegations and interest groups, and are committed to maintaining those working relationships. Until the Task Force has made its report in September, we would like to defer any comments on the legislation being considered today.

As stated in the June 26 news release, the Task Force plans to work in close consultation with key members of Congress from the committees with jurisdiction

over forestry and endangered species issues and from the affected States, as well as the governors of those states.

In summary, the Administration is committed to balancing protection of the spotted owl with the needs of people. Through the efforts of the Task Force, we intend to evaluate options which we hope may provide a better balance among wildlife, forest protection and jobs. During the interim time period, until the Administration has developed its new proposal and before Congress has acted on it, the Forest Service will continue to comply with the Endangered Species Act and not take any action which would be inconsistent with the recommendations of the Interagency Scientific Committee's report.

STATEMENT OF RALPH MORGENWECK, ASSISTANT DIRECTOR, FISH AND WILDLIFE ENHANCEMENT, U.S. FISH AND WILDLIFE SERVICE, DEPARTMENT OF THE INTERIOR, BEFORE THE SUBCOMMITTEE ON FORESTS, FAMILY FARMS, AND ENERGY, HOUSE COMMITTEE ON AGRICULTURE, REGARDING LEGISLATION FOR SOLUTIONS TO SPOTTED OWL AND OLD-GROWTH FOREST ISSUES

July 27, 1990

Mr. Chairman, thank you for inviting the Fish and Wildlife Service to comment on several bills related to the northern spotted owl and forest management in the Pacific Northwest.

The Administration has developed a task force to work toward the development of a plan for achieving a balance between protecting the owl while at the same time protecting jobs and economic opportunities. Until the task force makes its recommendations, the Administration believes it would be premature to support specific legislative proposals dealing with the northern spotted owl or old-growth forests. Accordingly, I will respond only in general terms to the approaches embodied in three House bills -- H.R. 4492, H.R. 5116, and H.R. 1645.

H.R. 4492

This bill, the "Ancient Forest Protection Act of 1990," attempts to recognize all the immediate and potential values represented by the forests of the Pacific Northwest in establishing a system of ancient forest reserves. The Service believes the goal of addressing as complete a spectrum of concerns as possible in a comprehensive manner, rather than piecemeal, has much to recommend it. In principle, the Service supports efforts that incorporate

consideration for the habitat needs of not only the threatened northern spotted owl, but all the additionally listed or potentially listed species with which it shares habitat, as part of an overall approach to forest management.

The Fish and Wildlife Service will defer to the affected land-managing agencies in commenting on the specific mechanisms advanced in the bill, and its compatibility with other legislation and existing planning systems.

H.R. 5116

H.R. 5116 would require that the land-managing agencies, in consultation with the Fish and Wildlife Service, develop timber sale plans employing alternatives other than those presented in the conservation strategy of the interagency scientific committee. The bill would also invite interested parties to propose alternative plans. The Fish and Wildlife Service would be required to subject all such plans to consultation under section 7 of the Endangered Species Act and express an opinion as to whether any of them would satisfy the Act's requirements with respect to the northern spotted owl.

The Service has no objection to consulting with the land-managing agencies over whatever plans they might develop, and is more than willing to cooperate with them in plan development. Nevertheless, some of the findings made in the bill are difficult to support. In addition, the bill is unclear or of uncertain application in several respects:

- o Section 2(a)(2) refers to "...criteria for the conservation of the Northern Spotted Owl..." It is unclear what criteria are referenced. The Endangered Species Act requires Federal agencies to refrain from authorizing, funding, or carrying out actions likely to jeopardize the continued existence of listed species.
- o Section 2(a)(2)(C) encourages incremental reductions in annual timber sales to those levels identified by the agencies to meet the guidelines established in response to the listing of the owl. No timber harvest levels or guidelines were established of which we are aware as a result of the listing.
- o Section 2(a)(5), which would have the Secretary of Interior invite proposed alternative plans from interested parties, leaves unclear under what process consultation would be conducted (ordinarily consultation deals only with proposed Federal actions), or whether the Service would be permitted to screen the potentially large number of submittals and consult on only those meeting some standard of substantiality or completeness.

H.R. 1645

H.R. 1645 questions the basis for listing the owl as a threatened species and, for a period of 5 years while further studies were performed, would exempt timber sales and related activities on the

National Forest System from the need to comply with the Endangered Species Act with respect to the northern spotted owl.

The scientific basis for listing the owl is clear and unequivocal. The kind of wholesale abandonment of the Endangered Species Act proposed by H.R. 1645 is unwarranted and unnecessary, and the Service opposes this bill.

The Fish and Wildlife Service recognizes its considerable responsibility for long-term conservation of the northern spotted owl through cooperation with Federal, State, and private timber managers, as well as in the development of a recovery plan that provides adequately for its needs. We intend to pursue all these avenues vigorously and with reliance on the best scientific information we can gather in the months and years ahead.

Thank you again, Mr. Chairman, for the opportunity to testify. I will be pleased to respond to questions.





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